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## Israel Agrees 'in Principle' to U.S. Beirut Plan

### Planes Attack Beirut, Syrian Missile Batteries

**Compiled by Our Staff From Dispatches**  
BEIRUT — Israeli jets raided guerrilla targets in West Beirut on Tuesday and attacked Syrian missile batteries in eastern Lebanon.  
The raids began shortly after Menachem Begin's government approved "in principle" U.S. plans to evacuate the Palestinian Liberation Organization but demanded changes in the proposal.  
The Tel Aviv command said it launched out a battery of Syrian SAM-9 anti-aircraft missiles that had been moved into Lebanon's eastern Bekaa Valley despite Israel's insistence that the area be empty of such weapons. It was the third time Israel had attacked Syrian missiles in Lebanon since it agreed to a cease-fire with Syria on June 11.  
Israeli planes also attacked Palestinian guerrilla positions in the Borge Barajji refugee camp south of Beirut in retaliation for cease-fire violations by the guerrillas, the command said. It said the camp was almost empty of guerrillas, but it had become a guerrilla base.  
The command's communiqué accused the guerrillas of harassing Israeli troops with mortar, bazookas and light-arms fire. All planes returned safely, it said.  
The air assaults began at 2 p.m., drawing anti-aircraft fire from PLO batteries. The Borge Barajji camp and its approaches took the brunt of the first air strikes.  
Jets later dive-bombed the Fakhani neighborhood in which the PLO headquarters is situated, the Chirila refugee camp, the Bir Hassan neighborhood along

the coast and the main traffic circle on the highway to the airport.  
Privately owned Lebanese radio stations said initial reports showed 16 people killed or wounded in the first 45 minutes of the bombing. It was the second straight day of aerial bombardment. Lebanese police said Monday's assaults left 46 dead and 89 wounded in West Beirut.  
The Israeli command later announced that two Israeli soldiers were killed Tuesday when their vehicle hit a guerrilla mine near Ein Zahlat, nine miles (14 kilometers) southeast of Beirut.  
Lebanon's premier, Shafiq al-Wazzan, said the air attacks showed Israel's determination to keep up the military pressure until the PLO evacuation from Beirut had begun. "It appears this military pressure is not going to ease before the PLO departure," he said.  
The Israelis deployed 40 tanks and armored personnel carriers around the port of Byblos, 22 miles north of Beirut, apparently to keep U.S. and French ships from sending peacekeeping forces ashore before final approval of the withdrawal plan, Lebanon's state radio reported.  
Beirut's Phalangist radio said a car bomb packed with 132 pounds (60 kilograms) of explosives blew up Tuesday in the northern city of Tripoli, killing 12 and injuring 45, outside the office of the Arab Liberation Party of a former premier, Rashid Karami.  
West Beirut is still without electricity and food supplies. The flow



A group of women, all residents of Beirut, carried signs calling for peace in Lebanon at the Galerie Samsam Crossing.

of water has been restored, but the pressure is so low that most citizens have to fill cans at smashed underground pipes or street-level taps.  
Women medical volunteers crossed Tuesday into the no man's land dividing East and West Beirut to protest the killing of civilians and Israel's blockade.

Lebanese militiamen working with the Israeli troops halted the demonstrators at the Galerie Samsam Crossing of the Green Line. Israeli officers refused to accept a petition from the women, who had walked a mile across the bomb-shattered middle ground, so they read their petition aloud in

the searing heat. West Beirut residents fleeing to the east passed unhindered, their cars laden with belongings.  
Pope John Paul II sent Mother Teresa of Calcutta to Beirut on Tuesday to show his concern for the victims of the war, Vatican sources said. Mother Teresa prayed with the pope at an early

morning mass in the pontiff's chapel at his summer residence at Castel Gandolfo.  
The Soviet Union denounced "double-faced" Arab leaders in its sharpest criticism yet of Arab countries, accusing them of failing to help the Palestinians against Israel and for pandering to Washington.

### But Cabinet Offers Set Of Counterproposals

**By Edward Walsh**  
*Washington Post Service*  
JERUSALEM — The Israeli government accepted "in principle" Tuesday an evacuation plan for the Palestinian guerrillas trapped in West Beirut but it demanded first a complete listing of the guerrillas' destinations and suggested that U.S. troops make up the first element of a multinational force that would oversee the withdrawal.  
The Israeli response was relayed Tuesday afternoon to the U.S. mediator, Philip C. Habib, who flew to Jerusalem from Beirut Tuesday night to meet with Prime Minister Menachem Begin.  
Mr. Habib, the chief architect of the evacuation plan, was known to believe that speedy ratification of its contents was necessary to prevent the fragile series of compromises from unraveling.  
The Israeli counterproposals, one of which was labeled a "precondition" and the others as "suggested amendments," were hammered out during a four-hour Cabinet meeting here Tuesday. They amounted to a general acceptance of the plan and the opening of negotiations over its details.  
A senior Israeli official said further negotiations could take "days but not weeks" before there was a final agreement involving Israel, Lebanon, the Palestine Liberation Organization and the three countries that are to supply troops to the multinational force — the United States, France and Italy.  
In a statement read after following the Cabinet meeting by Dan Meridor, the Cabinet secretary, the Begin government declared that "a precondition for any decision on the contents of the document is that the government of Israel speedily receive a full list of all the countries of destination ready to accept the terrorists, the total number being absolutely equivalent to the number of terrorists in Beirut."

The total multinational force is to be composed of 800 French troops, 800 U.S. troops and 400 Italian troops. They are to be buttressed by regular Lebanese Army units.  
Mr. Meridor said Israel remained opposed to the early deployment of any element of the multinational force, fearing that this would provide the PLO guerrillas with a protective screen should they renege on their promise to leave Lebanon.  
Sources said that Israel did not formally propose American troops for an early deployment role. But senior officials made clear that Israeli opposition to any early deployment would be considerably softened if the troops in question were American rather than French.

**UN Observers Rejected**  
Sources said other positions taken by the Israeli government included a flat rejection of a French-Italian proposal that the multinational force be accompanied by United Nations cease-fire observers. The Israeli Cabinet last week bluntly turned down a UN Security Council resolution authorizing the deployment of cease-fire observers around Beirut.  
The sources said Israel was also demanding that before the evacuation begins, Syria return a captured Lebanese pilot shot down over eastern Lebanon and that the bodies of nine soldiers who the Israelis say were captured and later killed by the PLO during this war and the 1978 Israeli invasion of Lebanon be returned to Israel.  
It is understood that the withdrawal of the PLO guerrillas is to begin within a week of a final agreement and is to be phased over 15 days from the time it begins. The draft evacuation plan delivered to Mr. Begin is also said to contain assurances to Israel that if after the 15 days elapse some defiant guerrillas remain in Beirut, the multinational force will be withdrawn, leaving the remaining Palestinians to the mercy of the Israeli Army and their Lebanese Christian allies.  
The multinational units are to stay in Beirut no more than 30 days in any event, according to the plan.

**White House Statement**  
WASHINGTON (Reuters) — The White House on Tuesday welcomed Israel's conditional approval of a U.S.-promoted peace plan "as an essential element in getting the problem solved in Beirut," and said the United States was cautiously optimistic that outstanding problems could be solved.  
A White House statement said the United States was encouraged by the momentum in negotiations to settle the Lebanon crisis, adding, "It is our belief that negotiations can best move forward when the cease-fire is carefully observed by all parties."  
It was issued by the deputy press secretary, Larry M. Speakes, shortly after President Reagan conferred with Shimon Peres, leader of Israel's opposition Labor Party. The State Department issued a similar statement.

### Weinberger Defends U.S. Nuclear Plan

**Says Proposal Averts Atomic 'Hair Trigger'**  
**By Richard Halloran**  
*New York Times Service*

WASHINGTON — Secretary of Defense Caspar W. Weinberger says that the Reagan administration has formulated a plan to wage a protracted nuclear war to avert what he called a "hair-trigger situation."  
The defense secretary said Monday that the United States was "trying to ensure that we didn't have a situation in which deterrent forces had to be used very quickly lest they be destroyed." This is what he said would cause a hair-trigger situation.

Mr. Weinberger said that the United States must preclude being forced to choose between firing its entire force of nuclear weapons immediately after a Soviet attack or letting it be destroyed.  
He also assailed critics of the administration's policy who have protested against provisions that call for the United States to prevail in nuclear war by ending the conflict on favorable terms with some nuclear weapons intact.  
Asserting that there is no alternative, Mr. Weinberger declared, "You show me a secretary of defense who's planning not to prevail and I'll show you a secretary of defense who ought to be impeached."

"I've been to several meetings at which the word 'prevail' has been bandied at me with great venom by my fellow," Mr. Weinberger said. "What does he want; does he want us to plan not to prevail?"  
In defending the nuclear doctrine that has stirred discussion since it was disclosed in late May, Mr. Weinberger reiterated his view that nuclear war is not winnable. He added that "we certainly are planning not to be defeated."

Mr. Weinberger said that the administration's policy has been contended that nuclear war, once begun, could not be controlled and would quickly escalate to an all-out exchange. Asked whether a prolonged, calibrated nuclear war was possible, Mr. Weinberger said: "I just don't have any idea; I don't know that anybody has any idea."

**Included in Maneuvers**  
He said contingencies for waging protracted nuclear war are included in all planning, command exercises and war games.  
Mr. Weinberger contended that the administration's policy was distorted in news accounts of the Reagan administration's five-year defense plan. He said those news accounts generated opposition to U.S. policy among Europeans, advocates of a nuclear freeze and others who help form public opinion on defense.

It was reported in May that the Defense Department has developed a new five-year defense plan that accepts the premise that nuclear war could be protracted and under the plan, the U.S. armed forces would be ordered to prepare for nuclear counterattack against the Soviet Union "over a protracted period."  
"We have spent a very large



Owner Jo Goldenberg outside his Paris restaurant Tuesday.

### Begin Warns France on Terrorism

**Issues Call for Self-Defense Unless Government Acts**  
**Compiled by Our Staff From Dispatches**  
JERUSALEM — After a gun and grenade attack on a popular Jewish restaurant in Paris in which six persons were killed, Prime Minister Menachem Begin said Tuesday he would call on young Jews in France to defend themselves if the government did not take action against neo-Nazi groups.  
In Paris, Interior Minister Gaston Defferre of France promised French Jews that everything was being done to protect them. The French government made no direct comment on Mr. Begin's remarks.  
Mr. Begin's statement said: "Again the cry 'Death to Jews' can be heard in the streets of Paris as it was during the time of the Dreyfus affair."  
"I am proud to be the head of a democratic Israel, but above all I am a Jew. If France does not prevent the appearance of neo-Nazi manifestations, of the murder of Jews just because they are Jews, I will not hesitate as a Jew to call upon our young people living in France to actively defend the lives of Jews and their human dignity."

Prominent French Jews, including Alain de Rothschild, speaking after a meeting with Prime Minister Pierre Mauroy, rejected the idea of French Jews forming private militias.  
About 700 Jews demonstrated Tuesday night at the Israeli Embassy in Paris. Small groups in the crowd got into shoving and shouting matches with camera crews filming the two-hour demonstration.  
The demonstrators then broke through a thin police line near the embassy and marched up the Champs Elysees toward the Ate de Triomphe, blocking traffic for nearly an hour before dispersing.  
Several Jewish organizations withdrew at government request from the demonstration.  
The Arab League, condemning the terrorist attack, said Tuesday such atrocities only served Israeli interests. "Only Israel can gain from such an occasion to justify the genocide against the Palestinian and Lebanese people," a communiqué said.  
As pressure mounted in France because of recent political violence by several extremist groups, the police said they were hunting for four or five men.  
Mr. Defferre hinted that the attack was carried out by followers of a Palestinian extremist, Salah Banna, whose code name is Abu Nidal.  
Mr. Defferre said that the same kind of weapon, a Polish-made submachine gun known as WZ-3, was used in the attack on the restaurant, Jo Goldenberg's, in Paris and in two earlier attacks in other countries. The press linked both of them to Abu Nidal, who though expelled from the PLO has continued to operate, first under Iraqi and then Syrian protection.  
The two operations mentioned by Mr. Defferre were an attack on a Vienna synagogue in 1981 and an assassination attempt on the Israeli ambassador in London in May.  
Witnesses said two or three men, who were described as young, dark-haired and of "Mediterranean" appearance, entered the restaurant. They threw a grenade and shot methodically at staff and customers. Then they backed out into the street and fired calmly at people hiding in doorways.  
Jo Goldenberg reopened his delicatessen Tuesday, but the restaurant remained closed. The chef was one of those wounded in the attack.  
Two of those killed in the attack were Americans. Two other Americans and four Italian tourists were among the 22 wounded.  
One of the dead Americans was Ann van Zanten, 31, of Evanston, Ill., who was sightseeing on the Rue des Rosiers when the gunmen struck. Her husband, David, 37, was wounded by shrapnel. The other dead American was identified as Grace Cutler, who was with a tour group.  
The police also said eight persons were being questioned about recent bombings in Paris for which responsibility has been claimed by an organization called Direct Action. The underground group claimed to have bombed the restaurant, but it later issued a denial.

France's government is criticized over the attack. Page 2.

### Private Use of the Public Domain: Doubts Remain on U.S. Oil Leases

**By Philip Shabecoff**  
*New York Times Service*

WASHINGTON — No one has ever accused Interior Secretary James G. Watt of thinking small. But his program to make a billion acres of the outer continental shelf available to oil and gas companies is staggering even by his own ambitious standards.  
Only a fraction of that acreage is likely to be drilled. Nonetheless, the magnitude of the program — a shift from leasing 2.5 percent of the continental shelf in the past 28 years to making almost all of it available in the next five — raises several fundamental questions:

- Can so much of the ocean be leased so quickly without severe damage to coastal environments and economies?
- Will American citizens receive a fair return for the vast resources, now public property, that will be turned over to private corporations in such a relatively short period of time?
- Is the accelerated development of offshore oil really the best way to reduce the nation's reliance on overseas sources of energy?

The Reagan administration obviously believes the answer to all those questions is yes. Critics, including many coastal states, fishing and tourist industries and environmental groups, answer with an alarmed no.

#### NEWS ANALYSIS

Council, one of the environmental groups, warned that the program posed "a broad range of environmental threats," including the potential for "catastrophic" oil spills as well as chronic low-level pollution from tanker and drilling operations.  
Frances Beineke of the council said, "We don't believe the effects of oil pollution, especially the sub-long-term effects, have been adequately studied." She said the science committee of the Interior Department's Outer Continental Shelf Advisory Board had urged that further scientific research be done on the potential impacts. Much needs to be learned, for example, about the effect of drilling and oil pollution on the frigid waters off Alaska.  
But J. Robinson West, assistant secretary of the Interior for policy, budget and administration, insisted

that the United States has an excellent safety record on offshore oil drilling. He said that about \$50 million had been spent studying the effects of oil spills and other environmental hazards and that no significant impact on the marine or coastal environments had been found.  
Another major point of contention in the offshore program is whether the Interior Department will be able to meet the law's requirements that fair market value be obtained for the public's oil resources and that it foster real competition for those resources.  
Under the system now used by the Interior Department, oil and gas companies are required to make a minimum bid of \$150 per acre, an increase from \$25 an acre. The government collects a royalty on oil actually drilled of 12.5 percent, for difficult frontier areas, to 16.3 percent. The government also collects taxes from the oil companies.  
Critics of the plan predict that the size of the acreage being made available will inevitably depress the level of bids and reduce competition for the tracts.  
Edwin Rothschild, spokesman for the Citizen-Labor Energy Coalition, a nonprofit group, said that because the bidding on the huge areas involved would require so much "up front" cash only the gi-

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James G. Watt: No fire sale for offshore oil.

#### INSIDE

- Russian rudeness begins at Moscow's airport. Passengers off international flights fidget while a stony-faced KGB man scrutinizes passports and visas and new arrivals almost feel that arrest is imminent. The encounter sets the pattern. *Insights, Page 7.*
- Argentina's new army government, haunted by the thousands of disappearances and other human rights offenses attributed to military rule, is seeking to curtail any review of the alleged abuses before allowing a civilian government to take power. *Page 6.*
- President Reagan broke the momentum of a conservative revolt against his proposed tax increase by signing up one of the revolt's leaders, former White House political adviser Lyn Nofziger, to spearhead promotion for the legislation. *Page 3.*

### China Is Flawed Haven For Vietnam Refugees

**By Christopher S. Wren**  
*New York Times Service*

KUNMING, China — Vivid red flame trees blossom among the teak and eucalyptus in the valley of Ganba, tucked 2,700 feet high in the rugged green mountains of southern Yunnan province.  
The isolated valley, situated 45 miles north of China's border with Vietnam and Laos, has also sprouted settlements of Vietnamese refugees who have been put to work growing and cutting sugar cane for a refinery on the sprawling Ganba state farm.  
The refugees, often homeless or Chinese resettled by China, usually in state-run farm and fishing communities. China ranks behind only the United States among countries that opened their doors to refugees from Indochina. The United States has resettled more than half a million.

China has accepted refugees, even as other Asian countries keep turning them away. There are 105,000 in Guangdong, 100,000 in Guangxi, 40,000 in Yunnan and 20,000 in Fujian province.  
Jacques Mouchet, the Peking-based representative of the United Nations High Commissioner for Refugees, estimates that 85 percent of these are of ethnic Chinese descent, with the rest being Vietnamese and various Southeast Asian minorities.  
The Ganba state farm, which was set up as a home for returning overseas Chinese, previously absorbed 1,500 ethnic Chinese who were expelled from Indonesia in 1968. The farm now has

During a visit to Peking in September, Pool Hartling, the UN high commissioner for refugees, praised China's response as "unique in Asia."  
But at least some want to move on, ostensibly to join relatives more comfortably settled in the West, but also because they dislike the bleak rural life, ideological constraints and Spartan conditions in China.  
Hundreds of refugees tried sneaking through Canton into Hong Kong and Macao as illegal immigrants until the authorities there started repatriating them to China. They are no longer considered refugees once they have lived in China for six months.  
At least 5,000 have asked about joining relatives in the West. About 700 have been allowed to leave China to do so. Remuneration is permitted only for immediate family members.  
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(Continued on Page 2, Col. 2)



## Angola Reportedly Accepts Plan For Withdrawal of Cuban Troops

Compiled by Our Staff From Dispatches  
WINDHOEK, South-West Africa — Angola has agreed with the United States and France on the withdrawal of Cuban troops from its territory before independence elections are held for South-West Africa (Namibia), the pro-government newspaper Die Republiek said Tuesday.

In return for repatriating the estimated 20,000 Cuban troops in Angola, Luanda would receive Western economic aid, the paper said.

Meanwhile, South Africa's administrator general for South-West Africa, Danie Hough, reiterated that there could be no peace settlement for the former German colony until the Cubans went home.

The observer representing the

South-West Africa People's Organization guerrilla group at the United Nations, Theo-Ben Guirirab, was quoted last week as saying that while the presence of the Cubans could not be linked to a Namibia settlement he would welcome any "normalization reached between Luanda and Washington." This appeared to be an indirect endorsement of a withdrawal.

(See Insights, Page 7, for a report on a journey through Namibia, a confused and unhappy territory.)

In a military development Tuesday, a South African Defense Force spokesman said SWAPO guerrillas shot down a helicopter carrying troops on an attack on insurgent positions in southern Angola, killing 15 airmen and soldiers.

The spokesman said 201 guerrillas had been killed in the operation. He did not say when the attack took place.

Peace talks between a five-nation Western group, composed of the United States, Britain, France, West Germany and Canada, the SWAPO guerrillas of Sam Nujoma and other parties are scheduled to resume Thursday in New York.

At that meeting, Die Republiek said, Mr. Nujoma would be presented with details of the agreement on Cuban withdrawal and told to "shut his mouth."

Mr. Hough, in a statement, did not reply directly to remarks reportedly made in Tripoli by Mr. Nujoma that he was ready to sign a cease-fire in the 16-year bush war with South Africa if Pretoria did the same. Die Republiek has already predicted that a provisional cease-fire would be called for Aug. 15, with a formal end to hostilities six weeks later.

Windhoek radio quoted Dirk Mudge, chairman of the Ministers' Council and of the ruling multiracial Democratic Turnhalle Alliance, as saying a trial cease-fire would not automatically mean immediate implementation of the UN-backed peace plan leading to elections under UN supervision. But he said it could permit the creation of a climate for further negotiations.

**Cease-Fire Talks at UN**

UNITED NATIONS, N.Y. (NYT) — Four South African military officers held three days of unannounced meetings with officials here last week to plan how the United Nations would monitor a cease-fire leading to independence in South-West Africa.

Both sides said Monday the talks went well. Officials said they had won agreement on a series of practical measures for the UN troops that would supervise the cease-fire, if one is fixed.

Also Tuesday, the Angolan news agency, Angop, quoted SWAPO as saying the group had killed 30 South African soldiers in an attack last Wednesday.

## House Panel Votes to End Pipeline Ban

Sanctions on Russians Held Likely to Remain

By William Chapman

WASHINGTON — Ignoring a last-minute administration appeal, the House Foreign Affairs Committee voted Tuesday to reverse President Reagan's imposition of sanctions against the Soviet gas pipeline to Western Europe.

Seven Republicans on the committee joined a majority of Democrats in voting to rescind decisions by which Mr. Reagan had sought to block or delay the pipeline. The bill, passed by a vote of 22 to 12, declares the sanctions no longer effective.

The majority argued that the sanctions had proven ineffective, that they had deeply split the U.S.-Western Europe alliance and that they had cost thousands of American jobs because of lost sales in pipeline equipment to the Soviet Union.

**A Pointed Rebuttal**

Although passage of the bill was a pointed rebuttal to the White House, the measure is unlikely to result in an actual reversal of policy. It faces strong opposition on the House floor and even stronger opposition in the Senate and, if passed, would probably be vetoed by the president.

Its supporters agreed that even if the bill became law the president could still veto sections of the Export Administration Act to put the sanctions in place again.

Secretary of State George P. Shultz, in a letter delivered to committee members shortly before the vote, appealed for defeat of the measure.

His passage, Mr. Shultz warned, "would severely cripple the president's ability to pursue one of his major foreign policy goals and limit his flexibility and authority to deal with a crisis of major importance to the West."

He said that it would "remove a significant instrument of pressure on the Soviet Union and impede the process of finding a common, long-term East-West trade strategy with our allies."

**Controversy in Europe**

The president's decision to block sales to the Soviet Union of technology and pipe-laying equipment caused controversy in Western Europe and Japan. Mr. Reagan's order also sought to block the sales of foreign companies licensed by American concerns.

Several allies have decided to ignore Mr. Reagan's decision and sell equipment needed by the Soviet Union to build the pipeline. The administration has contended that the pipeline would significantly increase Europe's dependence on Soviet energy supplies and would provide the Russians with a large amount of foreign currency.

But committee members Tuesday contended that the sanctions had hurt the West and not the Soviet Union. Sanctions will stiffen Soviet resolve in Poland and "will be no favor to the Polish people," said Chairman Clement J. Zablocki, Democrat of Wisconsin.

The political effect of lost jobs was evident in the lop-sided vote. The Republican sponsor of the bill, Rep. Paul Findley of Illinois, said that the sanctions had caused layoffs in his district at two plants that had intended to sell earth-moving equipment to the Soviet Union.

The ranking committee Republican, Rep. William S. Broomfield, Republican of Michigan, opposed the bill and defended the sanctions as the president's only method of demonstrating opposition to martial law in Poland. Rep. Broomfield said that the pipeline would double Western Europe's dependence on Soviet energy sources.

**Romanian Couple Said to End Fast For Canadian Visa**

BUCHAREST — A Romanian couple seeking a Canadian immigration visa reported Tuesday to have ended a week-long hunger strike in the Canadian Embassy.

An embassy official said in an interview that Mircea Munteanu, 32, a driver from Lugoj, in western Romania, and his wife, Elena, 36, had been provided with food by the embassy for themselves and their two children and had ended their fast. But it was not clear whether the couple would receive the Canadian visa.

Meanwhile, another couple, Roxandra and Sergiu Rutescu said on the 30th day of their hunger strike that they were hopeful of getting official Romanian permission to emigrate to Israel.

"An official of the passport office telephoned us this morning very kindly to tell us that they are dealing with our case and that we will hear from him in one or two days," Mrs. Rutescu said in a telephone interview from their Bucharest apartment.

"If the other government wants them," he added.



U.S. Secretary of State George P. Shultz, right, chats with Shimon Peres, the Israeli opposition leader, in Washington.

## Mitterrand Is Criticized Over Terrorist Attack

By Joseph Fitchett

International Herald Tribune

PARIS — The terrorist killings in a Jewish neighborhood produced serious political problems for the government of President Francois Mitterrand on Tuesday. Israel suggested that France's criticism of Israeli actions in Lebanon had been to blame, while French political opponents accused it of harboring political extremists in France.

In its defense, the French government has suggested that Monday's attack was carried out by a renegade Palestinian guerrilla, Abu Nidal, whose terrorism is directed against moderate Palestinians and against Jews, apparently with the aim of torpedoing hopes of Palestinian-Israeli accord.

"As every peace approach, it is accompanied by violence, and the glimpse of Middle East peace has inflicted this tragedy on my fellow French Jews," said Jean Daniel, editor of the pro-Socialist Nouvel Observateur.

But the Mitterrand government was criticized by other commentators for failing to clearly explain its Middle East policy clearly, thus allowing extremists to whip up passions in France about the Arab-Israeli conflict.

**Begin's Charge**

Prime Minister Menachem Begin of Israel drove home this second accusation when he said French leaders, in seeking to justify their support for the Palestine Liberation Organization, had created an anti-Semitic climate. He mentioned "Oradour," a reference to Mr. Mitterrand's recent comparison of the bombing of Beirut with the Nazi massacre of most of the inhabitants of the French village of that name during World War II.

The newspaper Le Monde newspaper rejected the Israeli remarks, saying that criticism of Israeli policy could not be described as anti-Semitism. And a Socialist Party spokesman said Israel was interfering in French affairs and fueling the controversy instead of helping calm passions.

On foreign policy, several Paris newspapers said Mr. Mitterrand had failed to speak out clearly enough about French policy in a crisis such as that in Lebanon.

**Embarrassing Contrast**

Criticism on the domestic side was spearheaded by the opposition leader, Mayor Jacques Chirac of Paris, who said that "Paris has become a hunting ground for terrorists."

The political problem is particularly embarrassing for the Mitterrand government because France's recent upsurge in terrorism contrasts with the successes in curbing

terrorism in West Germany and Italy.

French officials maintain that France could not remain indefinitely to the terrorist attacks that have swept Western Europe in recent years, but the Mitterrand government is accused by opponents of adopting too lax a line on political asylum.

The Socialist government has refused to deport Basque nationalists sought by Spain for guerrilla activities, and several French Cabinet ministers have spoken sympathetically of the Armenian cause, remarks that critics said conditioned terrorism.

Controversy erupted recently when Armenian extremists contended that the French government had pledged to deport rather than imprison activists arrested in France. Although the assertion was denied, the government admitted high-level meetings with Armenian activists.

**Anti-Terrorist Pledge**

In recent months, France's Socialist government has pledged to step up its anti-terrorist efforts and it refused to release a couple jailed when they were found with bombs in Paris. The two are linked to the international terrorist known as Carlos, whom many French officials suspect of cooperating with Abu Nidal, the Palestinian suspected by French officials in Monday's attack in the Marais quarter.

This theory links much recent terrorism in France to the critical battle among Middle Eastern factions over whether it is time for the PLO to recognize Israel. The Armenian attacks in France, for example, were unofficially blamed by French officials on Syria, which is also the current protector of Abu Nidal.

France's difficulties with Syria stem from clashes between the two governments about Lebanon and about the need for PLO moderation.

In addition, French newspapers have repeatedly published reports, never conclusively denied, that the previous French government made a pact with Arab terrorists allowing them to operate in France provided French targets were not hit. The Socialist government, with its initial pro-Israeli leanings, did not renew this pact, and Arab networks stopped sparing France, the reports said.

Another problem for France's Socialist government has been disavowal among the intelligence services. Supposed to be the first line of defense against international terrorism, France's overseas intelligence operation contains many officers who reportedly are suspicious of the Socialist Party because of its political alliance with the Communists.

## Doubts Remain on U.S. Plan To Lease Offshore Oil Sites

(Continued from Page 1)

ant oil companies, which control most of the offshore fields already leased, would be able to compete. Lack of competition will ensure that most bids come in near the minimum level, he contended.

"We are seeing a wholesale giveaway of the offshore oil lands," Mr. Rothschild said.

Mr. West, at the Interior Department, noted that "this is not a fire sale." He predicted that the tracts expected to be of high value, especially those in the Beaufort Sea off Alaska, would attract "an enormous amount of competition" and high bids. Independent oil companies would be able to compete, he said, by banding together to meet the high costs of bidding and exploration.

He said revenues from the offshore program were likely to bring in \$15.7 billion annually starting next year. This is lower than the original estimate of \$18 billion and is still high, according to a report by the General Accounting Office.

There is considerable disagreement that the best way to lessen the nation's dependence on overseas sources of oil is through a crash program to get at the na-

tion's publicly owned energy reserves, off or on shore. There is, for instance, a broadly held view that such dependence could be reduced by conservation of fuel supplies and the development of new and renewable sources of energy while exploiting public oil reserves in a measured and orderly fashion.

Mr. West contended, correctly, that offshore oil production had been declining in the United States while soaring in most other countries and noted that the most promising new reserves were likely to be found off shore.

None of these arguments reflects a chief motivating thrust of the offshore program. That is the deeply cherished belief of Mr. Watt and of the Reagan administration generally that the nation's resources are best used when they are in the hands of the private rather than the public sector.

**Curfew Is Lifted in Izmir**

The Associated Press

IZMIR, Turkey — Martial law authorities have lifted the 2 a.m.-5 a.m. curfew in this Aegean port city of 2 million that was imposed 23 months ago in a crackdown on terrorism, it was announced Tuesday.

## Peres Says Labor Bloc To Oppose Plans for Occupation of Lebanon

By Glenn Frankel

Washington Post Service

WASHINGTON — The Israeli opposition leader, Shimon Peres, said Monday that the Labor alignment will oppose the government's plan to maintain troops in Lebanon for an indefinite period after the withdrawal of the Palestinian Liberation Organization.

Israeli officials have said privately that they intend to keep their forces in Lebanon after the evacuation of the 6,000 to 9,000 PLO members trapped in Beirut until all Syrian troops leave the country. A senior official indicated to reporters here last week that the Israeli occupation could continue for a prolonged period.

"We don't want to become the policeman of Lebanon under any circumstances," Mr. Peres said Monday, adding later that Lebanon's internal affairs are "not our business."

The former Israeli defense minister, said an international peace-keeping force, rather than Israeli soldiers, should remain to enforce a peace accord in southern Lebanon. In contrast, the government of Menachem Begin has said it wants any international troops entering Lebanon to oversee the PLO withdrawal to leave within a few weeks.

Mr. Peres, whose party has lost two narrow parliamentary elections, urged the Reagan administration to capitalize on the Lebanese crisis to come to grips with what he described as the major Middle East problem — the future of the Palestinian people.

"The real test of the Reagan administration, in my judgment, will be if they can work out a Palestinian solution," he said. "What you need is a rational strategy."

Mr. Peres urged the administration to pressure both the Begin government and moderate Arab states such as Jordan and Saudi Arabia to support meaningful negotiations on the question of Palestinian autonomy in the Israeli-occupied West Bank. He said moderate Arab might prove particularly receptive to a Palestinian solution that would enhance the region's security and counter the threat of Moslem fundamentalists in Iran.

He implicitly criticized the United States for not opposing in the past Mr. Begin's policy of promoting Jewish settlements in the West Bank, where 1.3 million Palestinians live.

"I am not sure the Reagan administration had a clear Palestinian policy," said Mr. Peres, adding that all the parties will have to be prepared to make sacrifices for peace.

As for the future of Lebanon, Mr. Peres suggested that the most viable solution would be for the country to be partitioned and returned to its smaller, post-World War I borders. He indicated, however, that he believes it should be up to the Lebanese, not the Israelis, to decide the issue. The Moslem east would be separated, under such a plan, from the Christian west.

Mr. Peres said he had mixed feelings about the Israeli invasion, but he criticized Defense Minister Ariel Sharon, the operation's architect. He said Mr. Sharon had erred militarily in "not" seizing Beirut during the first days of the invasion.

Mr. Peres also said Mr. Sharon "knows the strengths of military policy, but he doesn't know its limitations."

## WORLD BRIEFS

### Italian Socialists Resist New Coalition

ROME — The Republicans, Liberals and Social Democrats on Tuesday joined the Christian Democrats in calling for establishment of a new five-party government coalition. The Socialists, however, held back, saying change is urgent.

President Sandro Pertini is expected to name a premier-designate Wednesday who will try to form Italy's 42nd postwar government. In past crises, the president has often asked the premier to succeed himself. In this case, Premier Giovanni Spadolini, a Republican, is expected to try to put together a government similar to the one that fell Saturday after the Socialists withdrew their support in a dispute over tax reform.

### Execution Delayed for U.S. Convict

RICHMOND, Va. — A federal appeals court judge Tuesday postponed the execution of Frank J. Coppola, less than 10 hours before the convicted murderer was to be electrocuted.

Judge John D. Butzner Jr. of the 4th U.S. Circuit Court of Appeals granted the stay because of what he called questions surrounding the constitutionality of Virginia's death-penalty law. A spokesman for the state attorney general's office said it was not sure what the state's next step would be.

Mr. Coppola, 38, was convicted of the murder and armed robbery of Muriel Hatchell, 45, of Newport News, in 1978. He has maintained that he is innocent but ended his appeals in March, dismissed his attorneys and asked for an execution date this summer to spare his teen-age sons torment from schoolmates. Earlier Tuesday, his former lawyer filed an unauthorized request to delay the electrocution and Judge Butzner responded to it.

### Strike Called at British Newspapers

LONDON — Britain will be without its national newspapers Wednesday because of a 24-hour walkout by Fleet Street electricians in sympathy with the nation's striking health workers.

The electricians Tuesday defied a High Court ban on sympathy-strike action by Fleet Street's newspaper unions and decided to go ahead with the stoppage. At an emergency meeting, newspaper proprietors, faced with an estimated \$1-million loss, were preparing a contempt-of-court action that could send some officials of the electricians' union to jail.

In the health workers' strike, nurses, cooks, porters and laundry staff joined picket lines to protest a government's pay offer. An estimated 1,400 hospitals were on emergency duty only as a result of the selective strikes by members of the health-workers unions aimed at winning a 12-percent pay increase.

### Moon Wins Case Against Deportation

NEW YORK — Sun Myung Moon won a legal victory Tuesday when a U.S. judge ruled he could not be deported on account of his conviction for tax evasion.

District Judge Gerard L. Goettel said it would be "an excessive penalty" for Mr. Moon to receive an 18-month prison term, a \$25,000 fine and be deported as well.

Judge Goettel, who sentenced the Korean-born head of the 3 million members of the Unification Church on July 16, said his ruling did not preclude deportation hearings based on allegations that Mr. Moon made false statements when he entered the country 10 years ago.

### Salvador Shake-up Reported Foiled

SAN SALVADOR — U.S. and Venezuelan diplomats helped block an attempt by rightist parties Tuesday to oust these government ministers, leaders of the Christian Democratic Party said.

The two rightist parties, ARENA and the PCN, had planned to oust the independent minister of defense, Gen. Jose Guillermo Garcia, along with the Christian Democratic ministers of labor and the economy, the party leaders said.

"With the help of the U.S. and Venezuelan governments, it was possible to halt an action equal with what occurred recently in Panama," said a high Christian Democratic party official, who requested anonymity. Panama's National Guard ousted the country's civilian president July 30 in a move that apparently paved the way for an military officer to assume the presidency after elections in 1984. The U.S. Embassy said it had no knowledge of its reported role in preventing the shake-up.

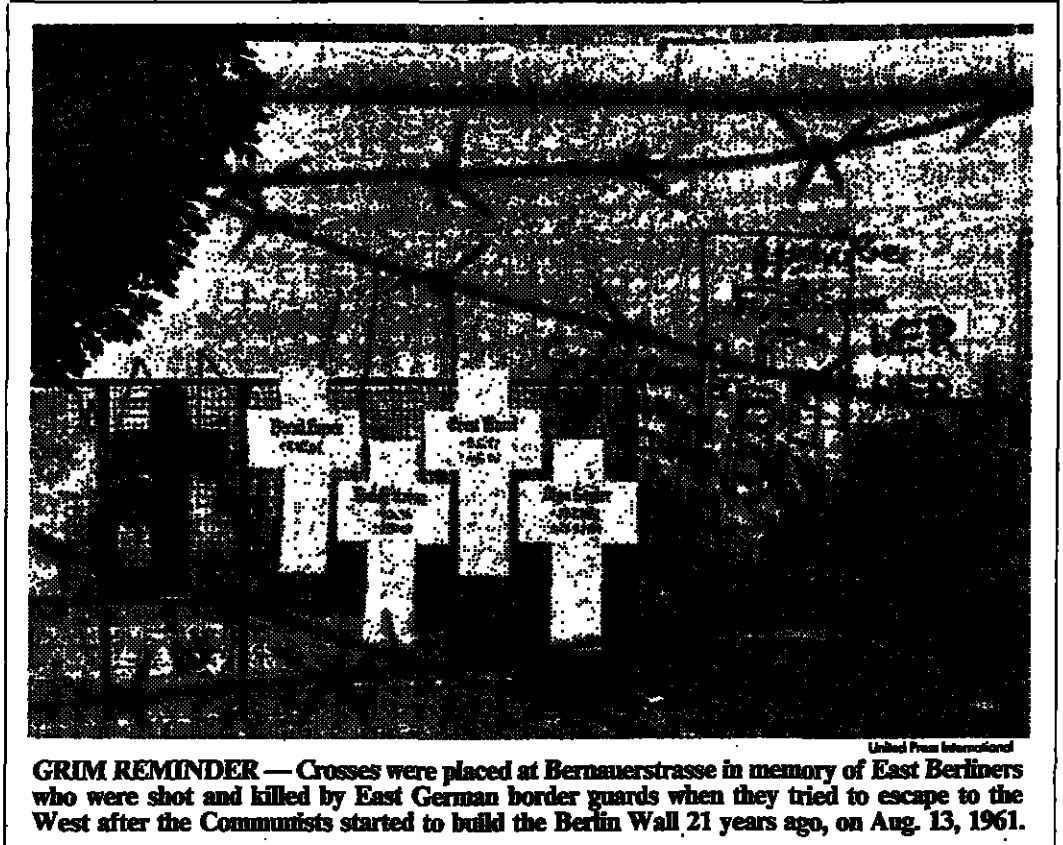
### Warsaw Warns Against Union Protest

WARSAW — The Politburo served implicit notice Tuesday that it would counter any demonstrations by the Solidarity underground to mark the second anniversary of the union's formation this month.

"It was understood that extremist and factions forces want to exploit the existing difficulties and the occasion of the second anniversary of the August events to sow unrest and create growing threats to the nation and the state's existence," said a communiqué issued after a regular Politburo session. "Society clearly demands itself for order, security and peace," it said.

Underground leaders on July 31 issued an appeal for mass demonstrations Aug. 31 to mark the second anniversary of the worker-state agreement that ended the shipyard strike in Gdansk in August 1980, and signaled the formation of the Solidarity union.

Compiled From Agency Dispatches



GRIM REMINDER — Crosses were placed at Bernauerstrasse in memory of East Berliners who were shot and killed by East German border guards when they tried to escape to the West after the Communists started to build the Berlin Wall 21 years ago, on Aug. 13, 1961.

## Weinberger China Serves as Flawed Haven Defends Plan For Vietnamese Refugees

(Continued from Page 1)

fraction of our time trying to assure people that we aren't going around here trying to plan how to keep the war going for several years," he said. On the contrary, he asserted, "everything we do is designed to get us a sufficient degree of strength so that the deterrent will be credible enough to be effective."

The Reagan administration's program for acquiring the forces capable of waging a prolonged nuclear war in the event of a Soviet attack are laid out in the Defense Guidance, a five-year plan intended to provide strategic direction to the armed forces.

It says that the primary role of United States nuclear forces is to deter Soviet attack, but if an attack occurs, "United States nuclear capabilities must prevail even under the condition of a prolonged war."

The directive says that in a nuclear war, the United States must deny the Soviet Union, or any other adversary, a military victory at any level of conflict and force an early end to hostilities on favorable terms.

Mr. Weinberger said evidence of new Soviet capacity for waging protracted nuclear war came from the increasing accuracy of their missiles, their ability to reload silos and launchers, the hardening of command centers to withstand attack, preparations for civil defense and heavy investment in ballistic missile defenses.

(Continued from Page 1)

another 1,248 refugees from Indonesia.

"It happened so suddenly that we were not prepared," recalled Li Ming, the state farm's party secretary. "They came here with nothing at all. We issued them farm tools and even their bowls and chopsticks."

Mr. Li said that many of the refugees were farmers who knew how to grow sugar cane. "If they don't know, we teach them and then they have to do it," he added.

The refugees draw a monthly wage of about \$32. This is a good income in China, although less than some would have earned in Vietnam.

**Possessions Seized**

Ling Weixian, the deputy leader of a production team, used to own a small coffeehouse in Vietnam before he was expelled with his wife and two children. A third child has since been born in China.

"All we could bring with us was the clothes on our backs and our children," said Mr. Ling, sitting on a bench in his small two-room home. "It was very sad. Everything we brought along was taken away by the Vietnamese security men at the border."

His new village includes some farmers, but most, like Mr. Ling, were urban Vietnamese, including factory workers from Hanoi. Two ethnic Chinese from Ho Chi Minh City were recently transferred to another production team.

Mr. Ling, who is 42 years old, declared that he was now eating better than he had in Vietnam. But, he said, his Vietnamese wife was still homesick and he implied that others were unhappy as well.

"Some" are brothers or sisters or parents in foreign countries like America or England and would like to be reunited with them," Mr. Ling said. "Even I have applied to move out to England, because my sister-in-law and aunt live there."

He produced a worn letter with a London postmark.

**Birth Control**

"If conditions permit, we will move out," Mr. Ling said as Chinese officials listened to the conversation. "Otherwise, we will stay here."

The local hospital director, Li Hua-xian, said the refugees balked at China's strict birth control program. "They don't like abortions at all," Mr. Li said. "They want to produce a child in China as a souvenir."

A crowd of villagers engulfed two Western reporters as they left Mr. Ling's house. One man thrust forward a letter, but Feng Xixun, an official who had come down from the province capital of Kunming, shoed him away. It was another family reunion appeal, someone explained.

"If they want to be reunited with their relatives, they are free to go," Mr. Feng said with some irritation.

"If the other government wants them," he added.

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(in English)

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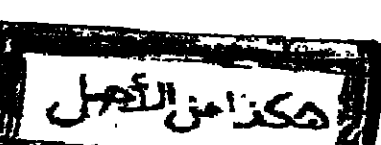
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Report Discount & Shipment Abroad

From July 5th through August 27th,  
Monday through Friday, the  
International Herald Tribune will  
present the news in English at 10 a.m.  
on radio station RMC.

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Radio Monte Carlo





## Reagan Blunts Revolt Against Tax Increase By Recruiting a Foe

By George Skelton and Robert A. Rosenblatt  
Los Angeles Times Service

WASHINGTON — President Reagan broke the momentum of a conservative revolt against his proposed tax increase Monday by signing into law the bill, a move that critics in the House of Representatives and the Senate are expected to oppose.

There were also signs that another of the rebels against the tax increase, Martin Anderson, would switch camps and help Mr. Reagan fight for the legislation. Mr. Anderson is a former White House domestic policy adviser.

Mr. Notzinger and Mr. Anderson were key participants last week in a meeting called by conservatives to plan strategy against the proposed tax increase.

Group Opposed Tax Plan

The group, which included the long-time Reagan ally, Rep. Jack Kemp, Rep. William E. Brock, issued a statement urging opposition to the proposal that over three years would raise \$98.5 billion and cut government spending by \$17.5 billion.

But when Mr. Reagan heard of the meeting, he quickly summoned his two former aides to the Oval Office for a lecture on loyalty and economics. "I think there was some indication he wasn't really happy," Mr. Notzinger said Monday.

Despite the return of Mr. Notzinger to the president's camp, the tax bill is still strongly opposed by many conservative Republicans in the House.

Unless the president gets their endorsement, the bill is likely to fail.

Leaders of the Democratic ma-

jority in the House have said they will not deliver Democratic votes for an election-year tax increase unless most Republicans also vote for it.

Speaking to reporters, Mr. Notzinger attributed his brief defection from the Reagan camp to "pure stupidity."

"I had the president's side of this explained to me thoroughly and I decided that he was right," Mr. Notzinger said.

Final Negotiations

Of Mr. Anderson, who also resigned from the White House earlier this year to return to private life, Mr. Notzinger said: "I think he will [help] if I ask him to."

Larry M. Speakes, deputy White House press secretary, said, "I think Marry will come along."

A House-Senate conference committee is holding final negotiations on the tax legislation and hopes to complete action in time for floor votes next week.

Mr. Notzinger said he would be running a high-powered news media campaign to "get the proper word out to the American people" on the tax measure.

In this regard, Mr. Notzinger said that he had advocated that Mr. Reagan go on national television in an effort to convince the public that a tax increase is necessary to reduce the federal deficit and help bring down interest rates. He said the president was "leaning toward it."

Mr. Notzinger added that Mr. Reagan "doesn't think he's being inconsistent" in supporting a huge tax increase after last year having pushed through a record tax cut, which reduced federal revenues by \$44.4 billion over four years.

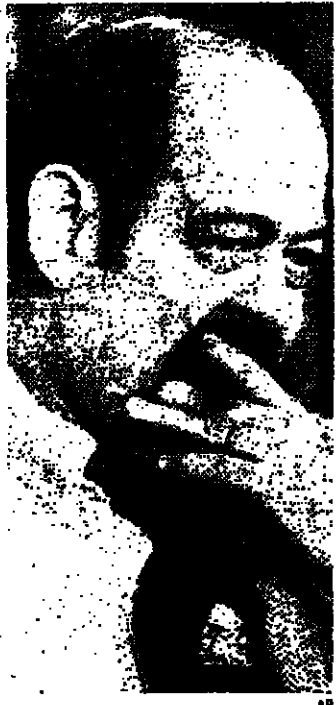
The president still does not believe last year's tax cut was too big, Mr. Speakes said. When told that Malcolm Baldrige, the commerce secretary, now thinks it probably was, Mr. Speakes replied: "So what?"

Mr. Notzinger said that although the battle in the Democrat-controlled House would be difficult, it was "winnable" and "we don't intend to lose."

Some administration and congressional advocates of the tax bill expressed optimism for the first time Monday about the legislation.

The president's budget director, David A. Stockman, predicted that "most of the support" Mr. Reagan has enjoyed in previous congressional victories would again be his on the tax vote.

On Monday, Mr. Reagan continued to invite congressional allies and opponents to the White House to lobby for the bill.



Lyn Notzinger

## Governors Cautioned On 'Buy American' Bill

By David S. Broder  
Washington Post Service

AFTON, Okla. — William E. Brock, the U.S. trade representative, appealed to the nation's governors Monday to help defeat "Buy American" legislation at the state and federal level that he said could plunge the world into a depression as serious as that of the 1930s.

In an appearance before the National Governors Association, Mr. Brock said the "domestic content" bill, cosponsored by more than half the members of the House, was "the most dangerous step" toward protectionism the country has made.

The bill, which would require an auto manufacturer to produce a certain percentage of a vehicle in the United States if it is to be sold in the United States, "would

violate every agreement we have made and break up the international trading system," he said.

He said that "under very similar circumstances" in the 1920s, Congress passed the Smoot-Hawley tariff, which "brought world trade to a crashing halt."

"It took World War II to bring the resulting depression to an end," he said, adding, "To forget that history is dangerous and unwise."

Warning on Subsidies

Mr. Brock also warned that state "Buy American" laws would only make matters worse. He cautioned the states not to adopt export subsidy programs, which he said would damage progress the federal government has made in stemming abuse of such subsidies by other countries.

Gov. William P. Clements of Texas, a Republican, asked Mr. Brock what the government was doing to open the Japanese market to Texas beef. "Our cattle people tell me they can't get a steer off the boat in Tokyo, there's so much regulation," he said.

Mr. Brock replied that Japan was the United States' best customer for agricultural goods and that it would purchase \$7 billion in farm products this year. "Beef and citrus products are the only things they try to exclude," he said.

Gov. Clements said "harassment" of beef exporters was so serious that "we in Texas might consider putting some special licensing requirements on for Toyotas."

Mr. Brock urged Gov. Clements to have the Texas cattlemen test the effectiveness of a new Japanese "office of trade ombudsman."

In other activity at the conference, the governors were informed that the federal gasoline tax was likely to double next year from 4 cents to 8 cents per gallon. R.A. Barnhart of the Department of Transportation and Rep. Don H. Clausen, a California Republican, said the extra revenues would be returned to the states to finance road and bridge programs.

The department recommended remedies "less intrusive" than mandatory busing, such as modified attendance zones, voluntary transfers and magnet schools.

The Department of Justice brief was the latest development in the 26-year desegregation suit brought by a group of black parents two years after the Supreme Court's landmark 1954 decision that ruled that separate but equal schools are unconstitutional.

In May, 1980, the department proposed a remedy for achieving maximum desegregation that was intended to leave no single-race schools among the 113 schools in East Baton Rouge. The plan relied heavily on the pairing and clustering of one-race schools that necessitated substantial busing.

Pairing is the process of mixing classes from what had been one all-white school with those from an all-black school. Clustering is the same process involving three or more schools.

The department said that in the two years since it had urged busing, "we have had occasion to re-

consider the usefulness of mandatory transportation as a desegregation remedy."

"Parents with the means to withdraw their children from public school have often done so, leaving behind public school systems threatened with transformation into the preserve of the disadvantaged of both races," the department said.

At the same time, the department urged the appellate court to uphold a lower court ruling that the East Baton Rouge Parish School Board had failed to dismantle its illegally segregated system.

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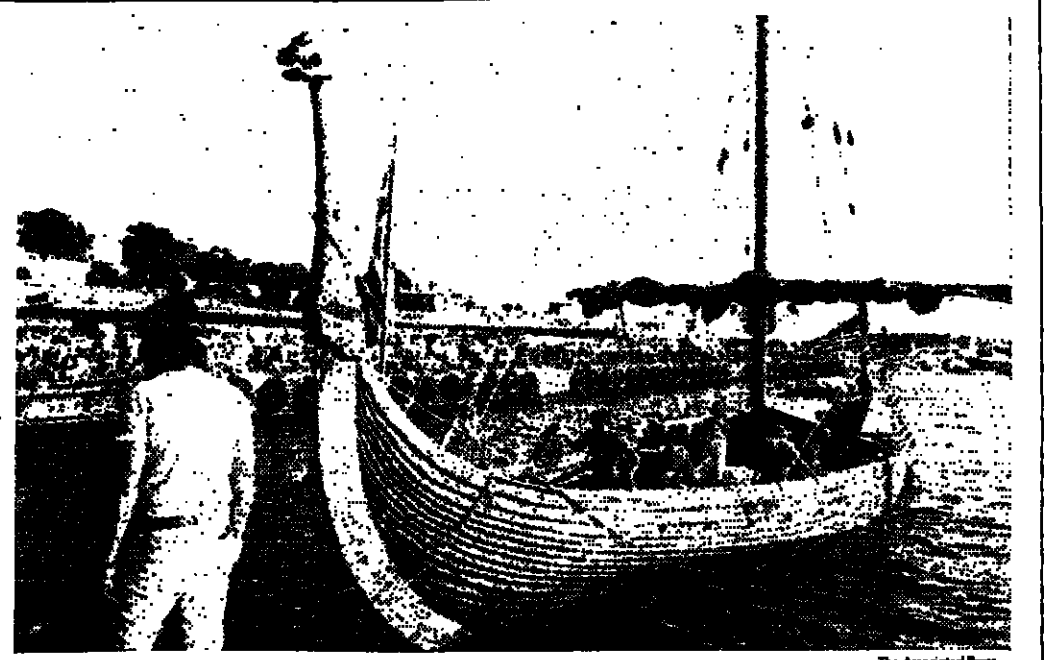
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COMING HOME — The Hjemkomst, a 75-foot replica of a Viking long ship, arrived Monday at Oslo's Homøerbygge (Pier of Honor) after a transatlantic voyage that began in Duluth, Minn. The ship, whose name means Homecoming in Norwegian, was designed by a Minnesota teacher and was said to be the first vessel of its kind to make the trip from the U.S.

## Strengthening of Secrecy Order Unjustified, U.S. Lawmakers Say

By Robert Pear  
New York Times Service

WASHINGTON — A congressional committee says it can find no justification for President Reagan's order giving federal officials broader authority to withhold information from the public on the grounds of national security.

The House Committee on Government Operations says in a report that explanations of the order offered by Reagan administration officials were "inadequate, inconsistent, incomplete or not credible."

"It remains uncertain why many of the changes were made, and there is substantial doubt that the changes could be justified," the report says.

The report predicts that the executive order, signed April 2 by Mr. Reagan, will significantly increase the amount of information that can be classified as top secret, secret or confidential.

"In fact," the study says, "there is virtually nothing new in Executive Order 12356 to inhibit the over-classification of information," long acknowledged to be a problem at federal agencies.

Criticism Called Unfair

Steven Garfinkel, director of the Information Security Oversight Office, the official in charge of classification policy for the executive branch of the government, said he had not seen the committee report. But when informed of its contents, he described the criticism as "very unfair and inaccurate."

Mr. Garfinkel said that the Reagan order, "if properly implemented, will not increase the amount of information that could be classified." One purpose of the order, he said, was to revise the tone of President Carter's 1978 order on the same subject, which he called "very apologetic."

However, Rep. Glenn English, chairman of a subcommittee that already has endorsed the report's findings, said Monday that he was "sorely tempted" to introduce the previous executive order as legislation, superseding the Reagan decree.

In a telephone interview, Rep. English, an Oklahoma Democrat, said the Reagan order "reverses a trend that has been in effect for nearly 30 years" toward greater availability of government information.

Classification rules often determine whether information will be made available to Congress, government contractors, scientists, researchers, journalists, and others, the House committee report notes.

"In addition," it says, "the order has a direct and immediate impact on the availability of information under the Freedom of Information Act."

Documents properly classified under the presidential order are exempt from disclosure under the Freedom of Information Act. Thus, the report says, "an expansion of the security classification rules means that agencies will be able to withhold more information from the public."

The report expresses concern about a section of the Reagan or-

der giving government officials the authority to "reclassify" information that has been declassified. In hearings before the subcommittee, federal officials said they would not ordinarily use physical force or illegal entries to recover documents, but, according to the report, they refused to rule out such tactics.

The study notes that the Carter order established a basic classification period of six years for most documents. The Reagan order says that information shall be classified "as long as required by national security considerations."

The Reagan administration made no effort to inform the public of its plans to revise the security classification rules or to solicit public comments at a meaningful time during the revision process.

In addition, committee members "expressed frustration that no administration witness was willing to appear" at a public hearing in March to explain the purpose of the changes in a draft order.

Cuba Aide Is Reported To Ask Asylum in Spain

MADRID — A senior Cuban official has defected in Spain, Interior Ministry sources said Tuesday. They said Luis Negrón, director of a state-owned steel plant, entered Spain last month and applied at a police station for refugee status.

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## Swissair regrets it is unable to introduce something it has always had: a class for business travellers.

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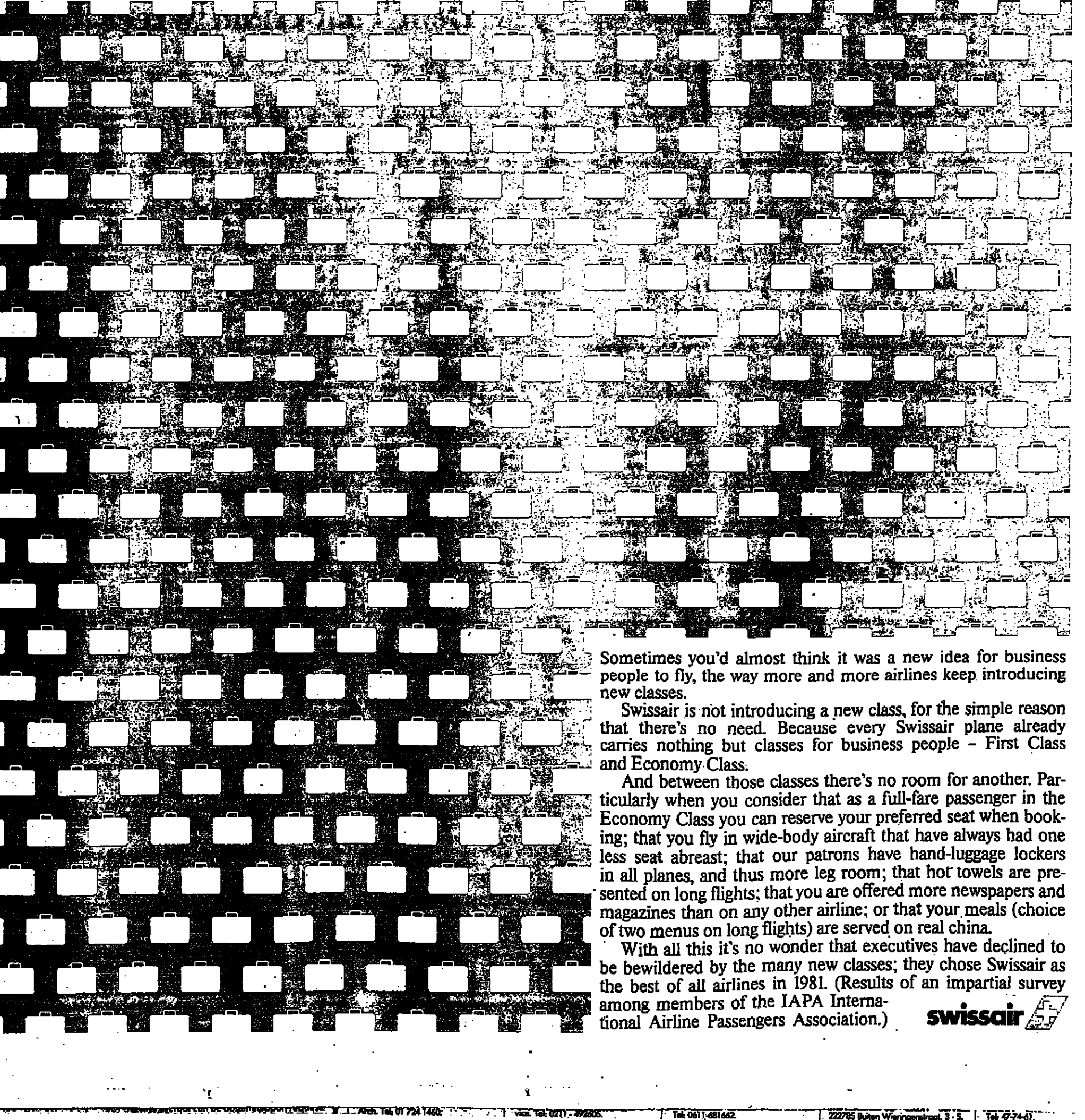
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Sometimes you'd almost think it was a new idea for business people to fly, the way more and more airlines keep introducing new classes.

Swissair is not introducing a new class, for the simple reason that there's no need. Because every Swissair plane already carries nothing but classes for business people - First Class and Economy Class.

And between those classes there's no room for another. Particularly when you consider that as a full-fare passenger in the Economy Class you can reserve your preferred seat when booking; that you fly in wide-body aircraft that have always had one less seat abreast; that our patrons have hand-luggage lockers in all planes, and thus more leg room; that hot towels are presented on long flights; that you are offered more newspapers and magazines than on any other airline; or that your meals (choice of two menus on long flights) are served on real china.

With all this it's no wonder that executives have declined to be bewildered by the many new classes; they chose Swissair as the best of all airlines in 1981. (Results of an impartial survey among members of the IAPA International Airline Passengers Association.)

swissair



# Herald International Tribune

Published With The New York Times and The Washington Post

## Out of Beirut's Ashes

From THE WASHINGTON POST

It is encouraging that the Israelis, the Lebanese and the Palestinians are squabbling over such things as the timing of the PLO guerrillas' departure from Beirut, whether it should be before, during or after the arrival of a multinational peacekeeping force. The principle of the guerrillas' withdrawal is now accepted on all sides. It is only the details that need working out, and while they are important details that express the immense distrust separating the parties and that could delay or even halt the onset of withdrawal, the process now appears irreversible. Beirut, battered and bloody as it is, can hope to be spared the total flattening that seemed quite probable just a few days ago.

Characteristically, even in this phase of denouement, the Israelis are taking the view that only their own threat to apply force, not anyone else's word, can be counted on to secure a satisfactory outcome. But much of the future of Beirut and Lebanon hinges on a readiness to allow others the time and space to make good on their political commitments. If Israel is determined to make its might the only arbiter, then the Lebanese have little to look forward to except an indefinite occupation by Israel and its local allies.

Such a development would be profoundly "un-Lebanese" — antithetical to the natural pluralism of Lebanon. It could throttle what prospects there are for building something

better out of Beirut's ashes. Just what does Israel wish to build from the ashes? Or, more to the point, what does Ariel Sharon, the defense minister and the driving force of the Lebanese operation, wish to build?

Evidently, he hopes to destroy the PLO militarily and politically by way of closing off all expressions of Palestinian nationalism in the West Bank. It could yet turn out, however, that his invasion will have been from his point of view a strategic blunder: the single act that made it necessary — others might say possible — for Palestinian nationalism to be fairly accommodated. If that is so, then one begins to understand the apprehension that Mr. Sharon has been showing over the way the siege is winding down.

Two visions hover over Beirut. The first is that of a rule imposed by force in the name of the superior claims of one of the combatants. Mr. Sharon and the mirror-image figures in the PLO hold this vision, from opposite sides. The second is the vision of a shared future in which the interests of the different parties are somehow honorably bargained out. This is the vision being elaborated now in U.S. diplomacy in the mission of the selfless and brilliant Philip Habib. The service he is performing goes far beyond the imperative of ending one city's agony. He is setting, resetting — the political model for working out the future of the region as a whole.

## Moscow's Cruel Routine

From THE NEW YORK TIMES

Why would a 29-year-old photographer refuse all food for 51 days and starve himself to the point of death? Sergei Petrov offered this explanation to a Times correspondent in Moscow: "You speak to me of logic, but out there is a society that for me has become totally illogical. I have no job, and they will not give me one. They deny me the right to seek a future elsewhere. Above all, they deny me the right to live with the woman I love, and to have a family. In the face of this, you ask me to act logically?"

Sadly, Mr. Petrov's despair is far from unique. He is one more casualty of a system that needs continually to advertise its meanness, so that no other young photographers will repeat Mr. Petrov's error of falling in love with a foreigner, especially an American. In summing routine, these are some recent tidings from the Soviet Union:

A Moscow house once inhabited by Igor Stravinsky was deliberately razed in this centennial year of the composer's birth — as a spiteful reminder that his genius is suspect.

Plainclothes security police officers in Moscow treated as criminals a dozen demon-

strators who dared, without permission, to march for disarmament.

Alexander Lerner, age 69, a former university professor, after a decade is still waiting for an exit visa to Israel, or an explanation why he and other Soviet Jews have been denied visas. "I have tried to explain the criteria the authorities use," he said, "but my scientific theory is not strong enough for such complicated matters."

"Peace March '82" ended with 300 Scandinavian visitors being compared to Nazis when they refused to attend a rally at a town named Khatyn. At another Khatyn, in Poland, thousands of Polish officers were slaughtered by Soviet troops in 1943, and mere mention of that massacre brought a frenzy of denunciations from the visitors.

What these reports have in common is their affront to the accords signed seven years ago at Helsinki. These bound the Soviet Union and 34 other countries to freer movement of people, goods and ideas. Other signers may have no means of enforcing compliance with a treaty signed by President Brezhnev. But they can and should cry shame.

## Hard Times for Canada

From THE WASHINGTON POST

Pierre Trudeau, prime minister of Canada almost continuously for the last 14 years, has made the Canadian sense of nationality his central work. Especially over the past two years, he has bent all the country's economic and oil policies to that purpose. Unhappily, it is working out badly.

He took large risks, and has been betrayed by events. His plans never foresaw the scale of the current inflation, or the decline in oil prices. He attempted to hold down oil prices for consumers while using oil revenues to finance a stronger central government. He was determined to reduce the proportion of Canadian industry, particularly the oil industry, that is controlled by foreign companies. The whole concept required an international boom that never happened.

Currently, the atmosphere of uncertainty and anxiety over the economy is even more oppressive in Canada than in the United States. Both unemployment and inflation are now higher in Canada. Discrimination against foreign investment has created a capi-

tal shortage, resulting in a falling Canadian dollar. Some Canadian companies, struggling to expand in the Trudeau spirit, have run into debts on a scale threatening not only themselves but their lenders in the banking system. Wages continue to rise rapidly, despite the numbers of people out of work. The Canadian labor movement, strongly influenced by its British counterpart, regards wage settlements not as economics but as political issues to be fought out with the government.

Under leadership less able than Mr. Trudeau's, Canada might easily have broken into several separate countries in the 1970s. Americans, with their own strongly defined nationalism — which, of course, they never consider as such — are the last people to complain about the Canadian variant. Probably Canada will shortly be under new leadership, but still distracted by domestic quarrels and abrasive in dealings with its neighbor. Americans may not like that much, but the state of their own economy gives them reason to understand why it is happening.

## Other Editorial Opinion

### Atrocity in Paris

Their egregious atrocity is but the latest in a long series which raises disturbing questions about the French approach to terrorism.

French functionaries up to and including the president refer to the long and honorable national tradition of accepting refugees and granting asylum. Nowadays, however, most nationalist, revolutionary or revanchist movements are more impatient or desperate than they used to be and each tends to have its terrorist arm. This uncomfortable fact does not seem to have occurred to the French authorities, despite the depredations of Armenian nationalists, bombers and assassins, and killers who think they can influence or redress the actions of Menachem Begin by butchering Parisians.

— The Guardian (London).

### Thatcher and China

When [Prime Minister] Thatcher visits China next month the future of Hong Kong will be high on the agenda for her talks. Uncertainties over Hong Kong's future have begun to accumulate because of the approach of 1997, the year when Britain's lease on the New Territories runs out.

The Chinese have made it increasingly plain that when the Hong Kong question finally comes under discussion, they will have two main aims. The first will be to maintain Hong Kong's prosperity as a free port; the second, to establish ultimate Chinese sovereignty over the whole territory.

Any agreed settlement which is to incorporate both aims will inevitably have to leave the functioning of the territory much as it is. — The Daily Telegraph (London).

## AUG. 11: FROM OUR PAGES 75 AND 50 YEARS AGO

### 1907: Out of the Slums

LONDON — Lloyd's News comments: "Thanks to the efforts of housing reformers, a sense of house pride has arisen among that class of the people who, 20 years ago, were content with cellar dwelling and homes in the slums. Every year 13,000 families leave the inner London for the suburbs, where the County Council has built clean and sanitary houses to which the County Council brings the people rapidly and cheaply." The Observer supports a plea for dance advanced at the School Hygiene Congress. "It is surely an excellent thing if dancing could be reintroduced in this country as a part of the physical education of children in the schools."

### 1932: Spain's Royalists

MADRID — Spanish Monarchists are in possession of Seville following an uprising that cost a dozen lives in Madrid before the outbreak was put down here. Scores of Royalist supporters in other parts of Spain have been arrested. Troops are being rushed to Seville by Republican authorities and a battle is imminent. A government statement says the uprising has been suppressed at all other points. Monarchist supporters led by Gen. José Sanjurjo, commander of the Seville garrison corps, and former chief of the civil guard under King Alfonso, are in control of the city. All communications between Seville and Madrid have been interrupted.

# The Deficit Debate

## U.S. Needs Amendment to Balance Budget

By David A. Stockman

The author is director of the Office of Management and Budget.

WASHINGTON — Critics of the pending balanced budget-tax limitation constitutional amendment have used many arguments, from the sophisticated to the vituperative. But few of any kind have come to grips with the desperately serious problem that this amendment is designed to solve.

The problem is the inexorable tendency in modern industrial democracies for government spending to grow faster than the economy, and the companion tendency for both taxation and government deficits to rise along with it. This, in my view, is a central cause of the faltering of the economies in the United States and Western Europe — which means quite simply a deterioration of our well-being.

Only the rarely used device of a constitutional amendment is likely to cure this debilitating disease. This past week, two-thirds of the members of the Senate showed by their votes that they had reached that conclusion. It few of any kind have come to grips with the desperately serious problem that this amendment is designed to solve.

The underlying problem itself is readily described. In the 1950s and the first part of the 1960s, before the "Great Society" programs and the explosion of entitlements, federal spending averaged 18 percent of the gross national product. This year it will be 24 percent — an increase in the federal share of fully one-third in the past 15 years.

In Western Europe, the figures are even more dramatic, as illustrated by the 10 countries of the European Common Market. In 1960, government spending was 32 percent of gross national product; in these 10 countries this year it will be a staggering 50 percent of GNP — half the economy.

On both sides of the Atlantic, the explosive rise in government spending, particularly in the last 10 years, has been accompanied by a rise both in taxes — which are unavoidably a burden on the economy and its expansion — and government deficit. The United States, as we all know, has not had a balanced budget since 1969 and the deficit is now in excess of 3 percent of the GNP. In the Common Market countries this year, deficits will average 5 percent of GNP. Deficits are also a burden on the economy in one fashion or another — notably, at present, through interest rates.

These dreary numbers are essentially the culmination of the modern welfare state. It is important to realize that the enormous growth of spending, taxation, and deficits has been associated with a deterioration of nearly all of the measures of economic performance: inflation, unemployment, investment in plant equipment, productivity, real in-

comes, even poverty. Western Europe is now in the worst economic shape since the period immediately after World War II, following years of success that came to be known as the "economic miracle." The miracle has turned into a tale of woe.

Now the question becomes, how do we deal with this disease? It is not good enough to say that it can be cured by responsible fiscal decision-making. Trends of the last decade and attitudes in the present Congress make clear that there is a strong inherent bias toward excessive spending and chronic deficits.

The Reagan administration has had considerable success in slowing the growth of spending, but the going is difficult. For example, in the face of triple-digit deficits and entitlement spending projected to reach \$500 billion by 1987, the House Budget Committee this year proposed entitlement reductions amounting to a paltry 1.3 percent of projected spending.

The proposed constitutional amendment would establish two norms of fiscal conduct.

First, the budget each year would be planned to be in balance. If receipts fell off because of a dip in the economy, there would be no violation of "countercyclical" deficits could still occur, but Congress and the president would jointly insure that outlays did not exceed the planned total. It will probably be necessary to establish a budgetary reserve each year to deal with unanticipated overruns, but such control is entirely workable.

Second, revenues each year could rise no more than the increase in the national income in the preceding year or several years.

The two together deal with the disease in its several aspects — a growth of spending faster than the economy, and a chronic tendency toward deficits.

The United States and its legislature will not be shackled as the critics maintain, but we shall at least have to make an explicit decision if we want government to go on growing as it has been growing. Now the growth is insidious, unplanned, almost automatic. A cure for the disease is essential if we are to prosper, and the constitutional amendment is the only cure that I believe is likely to be fully successful.

The New York Times.



I'm always true to you, darling, in my fashion.

## Seeking to Change the Constitution Would Be a Political Sham

By James R. Jones

Democratic Representative from Oklahoma, and chairman of the House Budget Committee.

WASHINGTON — Before the United States jumps headlong into placing an economic formula in the Constitution — something our Founding Fathers debated but avoided — Americans should demand that Congress study the amendment and its likely results rather than merely voting on a slogan.

The amendment, which would require that the federal budget be balanced each year, is a political sham. It will develop several budgets — a capital budget, an operating budget, a trust fund budget, and off-budget expenditures. If future governments are as adept as this one at painting false images through the media and avoiding tough economic decisions, they will find a technical way to comply. But the net result will be a larger federal borrowing which will raise inflationary risks and keep upward pressure on interest rates.

The public will ultimately see it for what it is — another sham.

A second possible result is that it would be enforced, and thus fundamentally change the checks and balances of the three branches of the federal government.

Many of our constitutional advisers believe that if a lawsuit were brought to enforce the amendment, the courts could rule in one of two ways. First, they could grant broad new powers to the president, such as line-item vetoes or indefinite emergency authority. Second, they could force federal courts themselves could determine the spending priorities. In either case, the Congress would become significantly inferior to the executive and judicial branches.

Such a result is not conservative. It is radical. Perhaps this is why many respected conservatives, such as Rudolph G. Penner, a former chief economist at the Office of Management and Budget, and Herbert Stein, a former chairman of the Council of Economic Advisers, oppose a constitutional amendment.

But what would happen if the amendment received ratification and was enforced in 1987? Under present projections, it would require at least \$215 billion of spending cuts. Most of that would come either from huge cuts in Social Security and national defense, which account for two-thirds of the budget, or from virtually eliminating most other functions of government.

For example, suppose defense, operation of rudimentary central government, and major entitlement programs were protected from cuts. These programs would cost about \$675 billion in 1985 under current policies. The required \$215 billion in cuts would have to come from the \$262 billion left for all other areas. This means an 82 percent reduction in everything else, including education, aid to the handicapped, job training, NASA, environmental programs, housing, highways, mass transit, flood control, the weather bureau, social security, medical care for the poor, nutrition programs, small-business assistance, farm programs, and research and development.

If no programs were protected, an across-the-board cut of 23 percent would be needed. That

would require, for starters, cuts of about \$70 billion in defense, \$60 billion in Social Security and Medicaid, and \$6 billion each in unemployment compensation and veterans' programs.

How did we get into this dilemma? Republicans and Democrats must share blame. For too many years in the 1970s, Democrats ignored the signs of public concern over runaway federal fiscal policy. Last year, Republicans, led by President Reagan, sold the American people on an untested economic theology that says you can cut taxes three times more than you cut spending and still have a balanced budget by 1984. Instead, the Reagan administration gives us more national debt in four years than was accumulated in the past 20. About \$700 billion will be added to the national debt by Reagan.

But now it is election time when the voters demand that politicians account for their promises. Last year, the administration and the majority of its supporters in Congress promised the deficit would be \$43 billion this year and the budget balanced by 1984. Instead, the deficit will be about \$110 billion this year and, even with the tax bill and spending cuts assumed in the budget resolution, about \$150 billion in 1984. This, despite the fact that Congress gave the administration everything it said it wanted in the major showdown votes on the budget, reconciliation, and tax bills.

Instead of admitting that the policies are not reaching the promised goals, many of those who were most vocal for Reaganomics are now trying to cover up those mistakes by hiding behind a constitutional amendment scheduled to take place sometime in the politicians' distant future.

The New York Times.

## The Debt That Could Wreck Us All

By Flora Lewis

PARIS — Angered and perplexed at the solid European reaction to moves against East-West trade, the U.S. administration is looking for ways to reduce the heat.

The allies have been told that President Reagan cannot reverse himself on Soviet gas pipeline sanctions because that would "Carterize" him, an illuminating new Washington word. It means allowing the president to appear indecisive or too easily swayed by critics, and it shows something about the level of policy thought.

So the effort now is to persuade Western Europeans to set up a joint group to oversee and coordinate credit to the East bloc, along the lines of Cocom, which rules on militarily sensitive sales.

The idea was broached at the Versailles summit meeting and mentioned in its communiqué. On its own merits, it is valid. Just as with technology and arms transfers, there is a built-in factor of competition that drives the industrialized countries to outbid each other for exports with easy credit, to the benefit of the Russians.

If the East bloc now owes some \$80 billion. It is a serious risk for the West. Ironically, the Soviet Union because of its energy exports remains the most creditworthy of Communist debtors. But Poland and Romania are only kept from default by pouring in more money.

Even the United States, insisting that the West should stop subsidizing Communist economic failure, does not dare initiate the chain reaction that a cutoff could mean for the banking system.

But there is another figure, just released by the United Nations, that pales this threat. It is the colossal \$400 billion debt of non-oil-producing developing countries, up \$60 billion in one year. Twenty-six countries are in arrears.

Mexico alone owes \$80 billion, Brazil over \$70 billion, Argentina \$36 billion. The danger of a crash, which could be triggered even by a small country such as Costa Rica with its \$2.6 billion debt, is raising itself.

The fact is that the international trading system is moving to the brink of collapse. So many bad debts are outstanding that it is no longer really possible to sort out East-West and North-South obligations and build safety barriers.

The spiral was unleashed by the 1973 oil crisis. Inflation surged everywhere, mostly in poor countries that had to pay more not only for energy but also for the compensating higher cost of manufactured goods.

Higher interest rates and spending cuts to combat inflation brought recession to the developed countries. That has broken oil prices but it also provoked a disastrous fall in raw materials prices, some as much as half. With such a drop in exports and so much interest to pay, some nations have got to the point where their earnings go for debt servicing.

And that means the industrial countries are losing markets, both

East and South. Protectionist pressures are rising.

The report from the United Nations, limited to the developing countries, said they had entered "the gravest economic crisis since the Great Depression." The pattern is ominous: familiar to what happened in the industrial countries then.

The tremendous increase in world trade that brought prosperity to the United States, Europe and Japan in the last 30 years has made them more, not less, vulnerable to the squeeze going on in the Third World.

Last January, World Bank president A.W. Clausen rejected pressures to increase cheap credits to poor customers, saying the bank was "not in the business of redistributing wealth from one set of countries to another. It is not the Robin Hood of the international financial set."

But the arguments of compassion or bludgeon for "a new world economic order" will be largely ineffectual. The point is how to keep bankruptcies and defaults from snowballing and to renew investment.

Robert McNamara, the previous World Bank president, has in

desperation proposed some new kind of international lender of last resort, an institution that would function as a world central bank as the Federal Reserve functions in a U.S. crisis.

Chairman Paul Volcker has assured Congress that the Fed would do what was necessary to "contain" a run on domestic banks, but that would hardly help if the big multinational banks get into trouble abroad.

The smug belief that the banks could "recycle" petrodollars on their own without regulation has led to the same kind of overexposure and unbalanced portfolios that brought national crashes in 1929-30.

It is not too late to organize major trading and banking nations into agreements that can head off the spiral of decline.

But it is too late to argue ideology — a government squeeze on trading with communists on one hand and a refusal to oversee and support credits to countries going bankrupt on the other. Recovery is now a worldwide issue. Allies would pay more attention to U.S. pleas to crack down on communists if instead of just offering more arms sales, the United States showed it had the initiative to forestall a crash that would wreck us all.

The New York Times.

## Not Kennedy, Mondale — But Glenn

By Tom Wicker

WASHINGTON — Any Democrat who in the middle of a national Republican landslide can carry the heartland state of Ohio by 1.6 million votes must be presidential timber. If he also happens to be a well-known hero, the first American he'd even be the frontrunner.

But Sen. John Glenn, the former astronaut who won re-election in 1980 by that remarkable 1.6 million votes, trails both Edward Kennedy and Walter Mondale in current polls. Don't pay too much attention to that. It is a year and a half until the Democrats start to vote; Sen. Kennedy and former vice president Mondale are ahead at this stage mostly because they are familiar faces, each with a following from earlier battles. As Kennedy learned in 1980, that kind of lead does not necessarily hold up when the polls open.

By any orthodox political judgment, the next best shot in 1984 belongs to Glenn — a combat veteran of two wars, a vote-getting national hero, a two-term middle-of-the-road senator from a major state the Democrats badly need to win if they are to return to power.

The common knock on him is that he is less than a riveting speaker — falling, for example, to turn on the delegates at the 1976 Democratic national convention or the mini-convention this year in Philadelphia. But don't worry about that either.

Modern elections are not always won by polished orators — Ronald Reagan being a recent exception.

Coming across impressively on television, not necessarily a matter of eloquence, is more important. So is having something real to say and saying it believably.

That last could be Glenn's secret weapon. He is a believable man, and he has an important theme that he is superbly fitted to express, to which he brings impressive intensity. The nation, he says, is losing its historic lead in basic research and technological development and risks falling into general decline as a result; but President Reagan, so far from reversing the trend, is speeding it disastrously with budget cuts and over-reliance on private investment.

"Publicly supported and privately developed research, along with the technology necessary to exploit the fruits of that research," he said in a recent speech, was the basic reason America became the strongest, wealthiest and most productive nation in the history of the world.

But since 1965, he pointed out, the proportion of gross national product devoted to research and development in this country has dropped more than 20 percent — while that figure rose in the Soviet Union by 21, in Japan by 27 and in West Germany by 41 percent.

Last year, American colleges granted 58,000 engineering degrees; Japan graduated 74,000 and the Soviet Union 300,000 engineers.

Yet the Reagan administration has

### Palestine Surprise

I was astounded to read the response of the Jordanian ambassador in Bonn (Letters, July 22), criticizing an earlier letter by Mr. Scott Gordon, Jordan's representative in Switzerland, asserting that Mr. Gordon "falsifies history and misrepresents facts."

For King Hussein's emissary to go on to state that "Jordan was a separate autonomous entity and never part of Palestine," given his alleged commitment to historical truth is surprising.

The Palestine Mandate, granted to Britain at the San Remo Conference in 1920, covers the area comprising what is known today as Jordan and Israel (including territories gained in 1967, with the exception of the Sinai). The area east of the Jordan River was separated from Palestine by Britain in 1921 and given to Emir Abdullah. It was then named Transjordan, but remained a part of the British Mandate. Transjordan became the independent state of "Jordan" in 1946.

It is there very easy to understand the existence of a Palestinian majority in today's Jordan (née Transjordan, née eastern Palestine). It is, however, difficult to accommodate the envoy's claims of Jordan's help to

Palestinians within its borders with what we know as Black September. MOTY ARIEL, LONDON.

### Rift Explained

Regarding "An Official U.S. View on Moves to Stop the Pipeline" (HT, July 24-25): As an American working and living abroad I would like to attempt to explain what, I believe, is the issue confronting our alliance.

In considering the pipeline sanctions, what is important is that our administration is not elected by Europeans and therefore our alliance is not a four-year contract.

Our relationship with Europe requires policies to be synthesized based upon objective analysis free from ideological flavors. If the United States does not listen to Europe's needs and synthesize those possible to be met by our policies we will continue to be viewed with dismay.

RAYMOND L. FLANAGAN, Istanbul.

### The Simple Pravda

Regarding "Report Urges Reagan to Keep VOA Unbiased, Devoid of Propaganda" (HT, July 23): As an American, I can only help but applaud the findings of the independent commission concerning the frightening changes in broadcast policy on the part of the International Communications Agency. Operating in an environment of blatant censorship and propaganda, it should be self evident that VOA's credibility is its most precious asset.

This longstanding (and now threatened) reputation for credibility guarantees not only that the news will carry the impact it requires, but also that the image of the United States as an essentially free and open system remains unimpaired.

Obviously, with his new emphasis in official media policy, Ronald Reagan is taking his lead from the Soviet Union. Surely, however, he could be imaginative enough to come up with an original name for "project truth." Or did he simply not realize the telling irony that in Russian, "truth" translates to "pravda?"

F. JAY MEYER, Sigulva, Switzerland.

### Justice Promised

Anyone reading the reports concerning the hijacking of the Alitalia aircraft by a Sri Lankan may be misled into thinking that all Sri Lankans have rallied behind him. But this is not so. A whole nation cannot be painted as morose ally enough to consider the threatening of human lives merely because a few chiefs and some irresponsible officials make off-hand comments.

Sri Lankans are not a nation of terrorists. And President Jayawardene is neither. Khandani nor Idi Amin. Dada. The law abiding would be sure that justice will be done.

SRI WITHANARACHCHI, Geneva.

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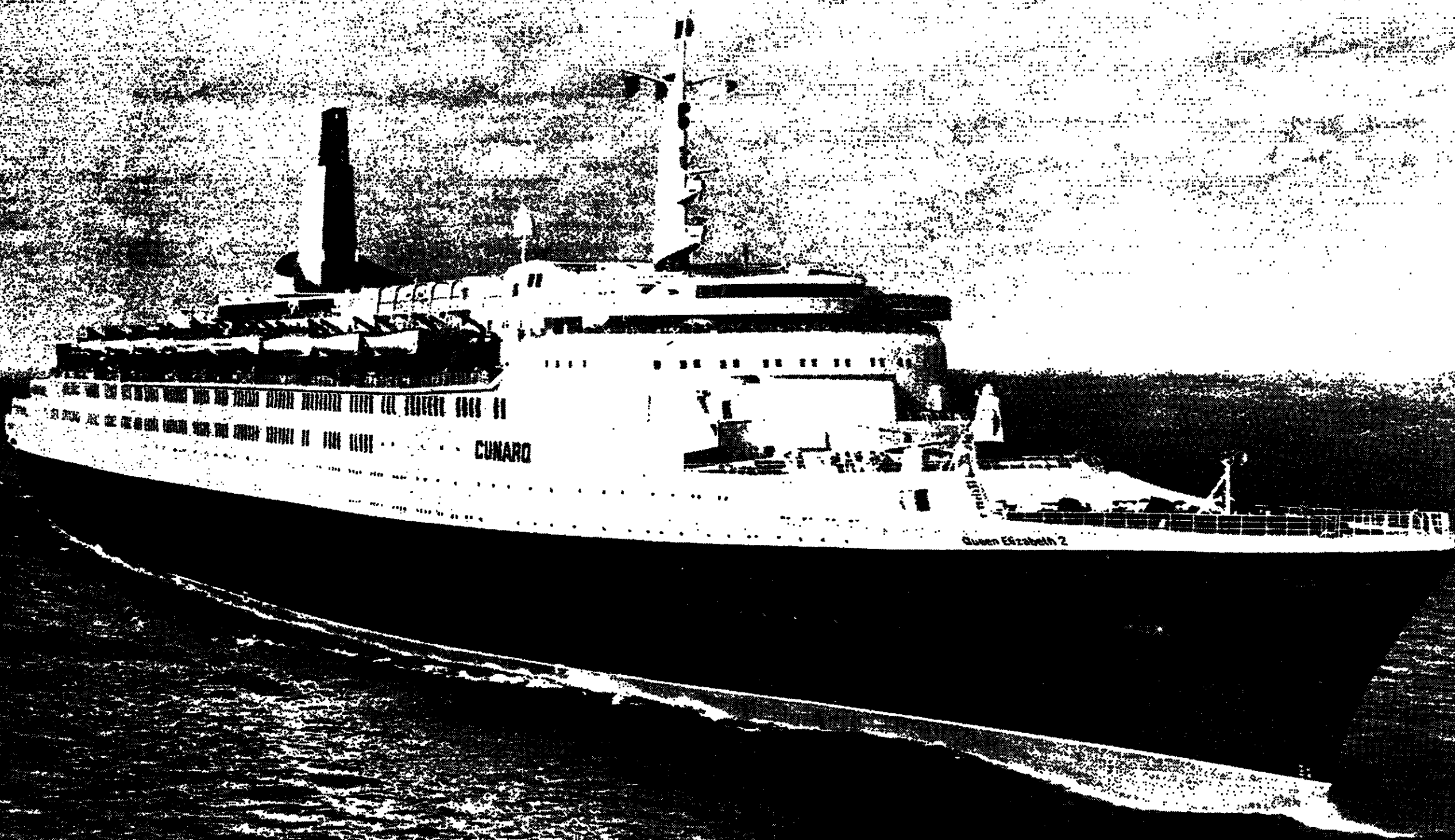
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## Collapse of Centrists Leaves Spain Fearing A Left-Right Division

By James M. Markham  
New York Times Service

MADRID — Against the backdrop of the normally languid summer holiday season, the center-right party that governed Spain through a difficult transition to parliamentary democracy has fallen apart.

Long in the making, the disintegration of the Union of the Democratic Center was almost completed recently when Adolfo Suárez,

showing in Andalusia this year, Mr. Fraga, a reformist information minister under Franco, contributed to the undoing of the Democratic Center and gave other rightists an alternative to the government party.

"There are those who consider a Socialist victory inevitable," Mr. Fraga said in a recent interview. "I am not one of them. But the problems of society are growing, and the capacity to resolve them is declining."

Since the end of the civil war in 1939, Spaniards have been haunted by the fear of another polarization of the country into hostile leftist and rightist camps. The insistent but disappointing search for the "center" of Spanish politics by Mr. Suárez and others reflects such concerns, now sharpened by the likelihood of an electoral confrontation between the Socialists and the Popular Alliance.

Though beset by a deep economic crisis, the Spain of 1982 is not the same nation that in 1936 erupted in class warfare. Under Franco, a middle class came into being, and some of its preoccupations are voiced by Felipe González's Socialists, who are no longer the firebrands of the 1930s.

Easily the most popular politician in Spain, Mr. González now offers a tranquilizing program of democratic consolidation and administrative modernization, shorn of French-style lists of companies to be nationalized. Even if the Socialists should win an outright majority in Parliament — a possibility if the right remains divided — he seems likely to incorporate moderate independents into his government to appease bankers, the church and the military. Even so, many people on the right remain suspicious of the Socialists, trusting Mr. González, perhaps, but fearful of party radicals.

Finally, there is the military, far-right officers of which attempted a coup in February, 1981. Alberto Oliart, the civilian defense minister, has said he does not believe that the conservative Spanish military establishment is afraid of a Socialist electoral victory.

Right-wing grumblers in the armed forces hierarchy have been quiet lately, as have the Basque terrorists who so provoked them at the time of last year's attempted coup. But history and recent experience have shown that the Spanish military has often been dragged into political action by like-minded civilians.

The military's comportment in the coming months will be conditioned by how the right absorbs defeat by the Socialists or manages to unite and pull off an upset victory of its own.



A Scots Guardsman, Philip Williams, who disappeared for seven weeks on the Falklands after the end of the war with Argentina, arrived Tuesday at Brize Norton Air Force Base, near Oxford, for a spirited homecoming celebration with his mother, right, and other relatives and friends.

## Argentine Military Seeking to Bar A Review of Human Rights Cases

By Jackson Diehl  
Washington Post Service

BUENOS AIRES — Argentina's new army government, haunted by the thousands of disappearances attributed to military rule, is seeking to curtail any review of the alleged abuses before allowing a civilian government to take power.

Gen. Carlos Cerda, the army's legal counsel and subsecretary of the Interior Ministry, said in an interview that the army was studying a proposed decree that would protect military officers from being investigated in connection with the disappearance of 6,000 to 15,000 Argentines during the late 1970s.

Gen. Cerda confirmed previous government statements that the military did not intend to provide a list of those who disappeared or an account of what happened to them. Most are now presumed to have been killed by government security and paramilitary forces.

Gen. Cerda's remarks tended to confirm reports by political leaders and analysts that the army leadership of Gen. Cristino Nicolaides and President Reynaldo Bignone intended to make few concessions on sensitive human rights issues while arranging the transition to civilian rule in 1984.

Protective Legislation

Military leaders, who argue that what they describe as a "dirty war" against terrorists was justified, have insisted that no investigation of alleged human rights abuses will be allowed. Past military administrations have hinted at a plan for banning investigations or granting amnesty to military officers, and

Gen. Cerda's remarks indicated that protective legislation was being considered.

While the Bignone government's apparent plan for a pre-emptive decree has alarmed human rights activists, much of Argentina's political leadership now appears willing to quietly strike an agreement with the armed forces on the question of the thousands of missing.

"The politicians don't want to put forward human rights problems because they are afraid that if they do, there will be no elections," said José Federico Westerkamp, a leading Argentine scientist and human rights activist, who recently was imprisoned for criticizing Argentina's court system.

Military officials have discussed the issue informally with party leaders, and political sources now say an agreement could be reached to allow the decree in exchange for a general public explanation of the official violence by the military.

## 2 Escapees in Caracas Seek Asylum in Chile

The Associated Press

CARACAS — Two prisoners escaped from a prison in central Caracas and were given refuge Monday in the home of the Chilean ambassador while seeking political asylum in that country.

They were identified as Luis Posada Carriles, a Cuban opposed to the regime of President Fidel Castro, and Herman Ricardo, a Venezuelan. They had been accused of planting bombs on a Cubana Airlines jet that exploded off the coast of Barbados in October, 1976.

"The majority of the people don't consider it an important problem for the country, and so neither do most of the politicians," Gen. Cerda said.

Human rights activists disagree. "Any politician who takes power is going to have to respond to the same appeals for justice," said Nora de Cortinas, a leader of the Mothers of the Plaza de Mayo, a group of 2,500 family members of disappeared persons.

Former President Jorge Videla and other officials have admitted that some excesses were committed by the military. But they have refused to provide an account of their actions or answer charges that thousands of innocent people were carried away by the paramilitary squads that for three years cruised the streets of Argentina's cities almost nightly.

France Lifts Embargo

PARIS (Reuters) — France confirmed Tuesday that it has lifted its embargo on arms deliveries to Argentina.

France is the first country in the European Economic Community to end the embargo, which was imposed by all 10 member states when Argentina seized the Falkland Islands in April.

French contracts include those for Super Etendard aircraft, which are equipped with Exocet air-to-sea missiles.

Soldier Returns Home

BRIZE NORTON, England (AP) — An 18-year-old Scots Guardsman who emerged from the wilds of the Falkland Islands after disappearing for seven weeks was among 500 soldiers flown home Tuesday. The government said he would not be disciplined.

Listed as missing and presumed dead for 48 days, Philip Williams was in a stretcher-bearing party during the crucial battle for Tumbledown Mountain on the outskirts of the Falklands capital of Stanley. He became separated from his unit just hours before the Argentine surrender on June 14.

Unaware that the war was over and disoriented, he lay low, surviving on army rations before he finally stumbled into a remote farmhouse on Aug. 1. His family had already held a memorial service for him.

## Taiwan Quietly Optimistic, Peking More Reserved in Sizing Up Shultz

By Michael Weisskopf  
Washington Post Service

TAIPEI — When George P. Shultz rose to address U.S. businessmen at a breakfast meeting here 19 months ago, his audience seemed to believe he has an understanding of their concerns simply because he has done business on the island for years.

Bechtel, the worldwide engineering and construction conglomerate that Mr. Shultz had headed since 1975, holds major consulting contracts for two of Taiwan's nuclear power plants. An affiliated engineering company called Pacific Engineers and Constructors Ltd. — 60 percent owned by Bechtel — earns between \$2 million and \$3 million yearly performing support services for the two plants, according to a company executive in Taipei.

Aware of congressional scrutiny of top Reagan administration officials with past Bechtel connections, Taiwanese officials have

leadership. "There was a sense that Haig was on a different wavelength than Reagan." Although no one calls Mr. Shultz a friend of Taiwan, officials seem to believe he has an understanding of their concerns simply because he has done business on the island for years.

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Aware of congressional scrutiny of top Reagan administration officials with past Bechtel connections, Taiwanese officials have

sought to downplay Mr. Shultz's former business dealings.

"The people who have never been to Taiwan don't realize the kind of life we have here," said Wang Chi-wu, vice chairman of Taiwan's National Science Council. "Anyone who comes knows the desire of our people to continue this way of life. I can never remember Haig coming."

"Haig understood Europe very well and Asia hardly at all," Mr. Parker said. "Shultz would appear to have a better understanding of this part of the world partly because he's been here and partly because he hasn't focused on one part of the world to the exclusion of others."

While extending a grace period to Mr. Shultz, China has intensified its criticism of the Reagan administration's policy of arms sales to Taiwan, apparently worried that Mr. Haig's departure will create a vacuum that could be exploited by pro-Taiwan politicians.

## Japanese Minister Resists Revisions in Schoolbooks

Reuters

TOKYO — The Japanese education minister said Tuesday that he had no intention of correcting revisions to school textbooks that gloss over Japanese atrocities during the 1930s and early 1940s and have caused a diplomatic controversy with China and South Korea.

The minister, Heiji Ogawa, told the education committee of the upper house of parliament: "I don't agree there is no other way to settle the issue than by reinstating the original accounts."

But speaking before an ad hoc committee on national security of the upper house, Foreign Minister Yoshio Sakuruchi again indirectly urged that the accounts be changed.

"The point is whether Japan, in the eyes of the countries concerned, is abiding by its responsibility for its past actions as stated in separate postwar joint communiqués with China and South Korea," he said.

The amended textbooks describe Japan's aggression against China as an "advance" and play down the "rape of Nanking," in which more than 200,000 Chinese were slain.

Japan ruled Korea as a colony from 1910 to 1945 and the new textbooks describe a Korean uprising against Japanese colonial rule as a "riot."

The books have prompted official protests from both China and South Korea.

Mr. Sakuruchi said Monday that Japan should recognize that the Chinese-Japanese War had been internationally criticized as an invasion by Japan. He added that the controversy should not be allowed to continue.

Prime Minister Zenko Suzuki, who is scheduled to visit Peking next month to mark the 10th anniversary of the normalization of relations between Japan and China, said Tuesday that his ministers had different stands on the issue based on different considerations.

The director of the Foreign Ministry's Asian Affairs Bureau, Akitsune Kinuchi, told an upper house committee that he believed the issue would delay negotiations on \$4 billion in Japanese aid to South Korea.

In an indication of growing anti-Japanese feeling in Korea over the issue, Seoul police said Tuesday that vandals had destroyed a monument commemorating the building of a bridge by the Japanese during the colonial period.

Taxi drivers are reportedly refusing to carry Japanese, and some shops and clubs have barred Japanese customers and boycotted Japanese products.

More than 5,000 elderly Koreans demonstrated in five cities Tuesday to protest the changes in the textbooks.

## Toxic Waste Threatens Pure Water Under Giant U.S. Wilderness Area

By John J. Goldman  
Los Angeles Times Service

BATISTO, N.J. — It is almost a primal wilderness in the nation's busiest industrial corridor — an area so vast that only satellite photos can do it justice.

From space, photos of the New

Jersey Pine Barrens show the largest stretch of empty land without

major cities or towns along the Eastern seaboard between Richmond, Va., and Portland, Maine.

The photos fail, however, to reveal the natural beauty that lies beneath the Pine Barrens' sandy, porous soil: a huge reservoir of pure water, enough to fill a lake covering 2,000 square miles (5,200 square kilometers) to a depth of 37 feet (11 meters). Such a water source could, if tapped, supply all of New York City's needs indefinitely.

But the water supply is being threatened. One of the nation's most toxic chemical dump sites lies on the edge of the Pine Barrens, endangering the quality of Atlantic City's drinking water.

Precautionary Measures

Officials at that seaside gambling resort have taken steps to protect water during the summer tourist season, when millions of travelers and conventioners flock to casinos. Some wells have been pulled out of service and special filters have been installed should they be needed. Atlantic City has improved its treatment plant, so that additional reservoir water can be processed.

City lines have been connected to the New Jersey Water Co. to tap wells outside of the contamination area.

"I think we have taken reasonable steps and have reasonably protected the city from the problem," said Neil Goldfine, executive director of Atlantic City's Municipal Utilities Authority.

But a long-term solution must be found.

When the Environmental Protection Agency filed suit last year against the operators of the chemical dump, Pico's Pit, federal lawyers called the seepage from 900 million gallons (3.4 billion liters) of toxic waste there "the most serious environmental problem in the country."

Fears for the Pine Barrens

Officials fear that the chemical seepage will reach not only Atlantic City's wells, but also parts of the Pine Barrens.

"We don't know how far these contaminants can go," said David F. Moore, executive director of the New Jersey Conservation Foundation. "I don't think we know that much about flow patterns beneath the soil."

Mr. Goldfine said the Pine Barrens are a good source of water because of the types of sand there. "It also means if you have liquid hazardous waste spilled on the ground, it

disappears. It doesn't go away; it just sinks in."

In industrial New Jersey, the Pine Barrens is a "million-acre amorphous" — the Garden State's great surprise. It is a wilderness of dense pines, pine streams, moss-covered swamps and rare pygmy forests.

At the heart of the Pine Barrens is a 368,000-acre (149,000-hectare) preservation area, a naturalist's delight. Thirty-five species of mammals ranging from muskrats to the rare short-tailed shrew, 299 kinds of birds, including peregrine falcons and great blue herons, 91 types of butterflies, and 59 kinds of reptiles and amphibians make the Pine Barrens their home.

"I often describe the Pine Barrens as a place for the prodigious, the man who has been all over the world, and has seen the magnificent splendor of the South Pacific," said Ted Gordon, a naturalist, who has been a Pine Barrens resident for 20 years. "The man who has had everything stare him boldly in the face comes down here and has to search to find it. It's a subtle place, a deep place, a very emotional place. It's a place you have to know before you can really love it."

Many northern and southern species meet in the Pine Barrens. At least 14 kinds of southern plants reach their southern limits, including the rare early grass fern. There are also southern plants, including pine moss, turkey beard and the Southern yellow cress. The Pine Barrens contains 20 kinds of orchids.

"In the pygmy forest, the largest trees stand only 11 feet tall. Some have been blasted by a forest fire. About 400 fires, mostly man-made — burn in the Pine Barrens each year."

Development Restricted

Hundreds of miles of unpaved stage routes still crisscross the Pine Barrens, leading to towns that have disappeared in the "underbrush of time. Baited, one such town, has been isolated along with its furnace that once manufactured munitions for the Continental Army. Wood from the Pine Barrens made the desk upon which Thomas Jefferson drafted the Declaration of Independence.

The Pine Barrens Comprehensive Management Plan has restricted development and has thus far guarded the area's water quality. But the threat to the pines and to nearby Atlantic City from Pico's Pit alarms conservationists. Some municipal officials contend that the Environmental Protection Agency is moving too slowly in cleaning up the chemical dump site.

# Oil and Money in the Eighties

AN INTERNATIONAL HERALD TRIBUNE/OIL DAILY CONFERENCE  
INTERCONTINENTAL HOTEL, LONDON, SEPTEMBER 20 & 21, 1982

Sheikh Ali Khalifa al-Sabah, Minister of Oil and former Finance Minister of Kuwait, will be the keynote speaker at the third annual International Herald Tribune/Oil Daily conference on "Oil and Money in the Eighties."

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## ENERGY IN AN UNCERTAIN ECONOMY

### SEPTEMBER 20

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Theodore Eck, Chief Economist, Standard Oil Company (Indiana).

Helen Hughes, Director of Economic Analysis and Projections, The World Bank.

Ian Seymour, Executive Editor, Middle East Economic Survey.

Moderator: Herman Franssen, Chief Economist, International Energy Agency.

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Fees are payable in advance of the conference. Each participant \$435 or the equivalent. This includes all refreshments, lunches, and post-conference documentation. Fees will be returned in full for any cancellation that is postmarked on or before September 3, 1982.

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James McClure, Chairman, U.S. Senate Energy Committee.

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Harold Hammer, Executive Vice President, Gulf Oil Corp.

THE EVOLUTION AND IMPACT OF INTERNATIONAL OIL TAXATION

Robert Weaver, Vice President, Global Petroleum Division, Chase Manhattan Bank.

THE LONG TERM GAS OUTLOOK

John Lichtblau, Exec. Dir., Petroleum Industry Research Foundation.

John Meeder, Manager Corporate Planning, Nederlandse Gasunie.

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## INSIGHTS

## Inside Namibia: Journey Through a Confused and Unhappy Land

(This article is excerpted from *The New York Times Magazine*.)

By Joseph Lelyveld

**THE INSURGENTS** of the South-West Africa People's Organization (SWAPO) had not been expected to make their annual foray this year into the northernmost white settlements of the disputed territory that is now commonly called Namibia. South African forces had supposedly crippled the insurgents last year in a series of assaults on their bases deep in southern Angola.

Only a remnant of the SWAPO command survived, the South Africans boasted, and it had been forced to flee from the border area. The insurgents, it was claimed, were being killed at the rate of about 1,500 a year (more than 10 times the admitted South African losses), and were having to kidnap schoolchildren to replenish their ranks.

That one-sided picture the South Africans had drawn of the situation was the one they wanted to see. But the SWAPO guerrillas never had to be a match for the South African military machine in the fight for control of what is formally known as South-West Africa. In the kind of anti-colonial struggle they have been waging to dislodge South Africa from the former German colony it has occupied for 67 years, survival and victory are virtually synonymous. And SWAPO has survived.

The proof was in the diplomatic push by a group of five Western nations — the United States, France, West Germany, Britain and Canada — for a settlement, now said to be geared to produce a cease-fire and agreement on the phased withdrawal of the South African military.

### 'Triangle of Death'

More blatantly, the proof of SWAPO's survival could be seen in newspaper headlines in Johannesburg and in Windhoek, the disputed territory's capital, that once again were branding the white farming communities of Ovambo, Tswana and Grootfontein as the "triangle of death," since the insurgents had returned to plant, land mine, farm roads and pick off farmers in ambushes.

On a recent journey through Namibia, I visited Otavi, 165 miles (265 kilometers) south of the Angolan border and about 80 miles south of the area called Ovambo, where this obscure bush war had been concentrated. During my stay, an alarm was raised of guerrilla activity, and a white counterinsurgency unit zoomed out of town on motorcycles under the stony gaze of a crowd of blacks. Up the road in Grootfontein, there was even more military movement.

In Namibia's checkered colonial past, white traders and missionaries preceded settlers into the territory's open frontier. Then came the Germans, to establish the first government.

South Africa grabbed the country from Imperial Germany at the start of World War I. But even before the Germans appeared, a handful of Afrikaners — the white tribe that was ultimately to achieve dominance in South Africa — had arrived in ox wagons. At what was to be Grootfontein, in a gesture of pure and stunning optimism, the band of only 40 families proclaimed themselves a republic.

That was 111 years ago. Now, with the tide of history flowing the other way, there is a major South African Air Force base, and a command post where the president's farm is a scene of battle, fatigues, when insurgents are reported in the area.

The renewed military activity carried a message to Doel Bredt, who claims to be the first white farmer in the territory to have been ambushed by a SWAPO guerrilla. The message was that he had stayed too long. It wasn't just terrorism, he said, that had him brooding about a move to South Africa, where his family had not lived since the mid-19th century. What had unsettled him most, he said, was an intuition that the country was already slipping out of white control.

### Pieter Botha's Stance

"Communism is coming down," he asserted, meaning down from black Africa — from Angola, Zambia and Zimbabwe, all indisputably Marxist now in the world view shaped by South Africa's military propaganda. It wouldn't be so bad to have blacks in government, Mr. Bredt allowed, so long as whites kept control, but once whites lost control nothing would stop Communism. When I asked why, his son Frikkie, a teacher, answered: "It's because they don't believe in God. Because they don't have strong characters and because they're not educated and can't think for themselves."

His father nodded ruefully. "I think we've stayed too long," he repeated.

Pieter W. Botha, South Africa's prime minister, seemed to be reaching the same conclusion. A truculent former defense minister who personally supervised the military buildup in South-West Africa, he now has to contemplate the bizarre prospect of having eventually to campaign in South Africa as a peace candidate against "rightist extremists" who are already accusing him of "selling out" Namibia's 75,000 whites — mostly fellow Afrikaners.

Several reasons could be traced for Mr. Botha's apparent change of stance: pressure from the Western nations, which took the lead in searching for a solution that would head off demands for sanctions against South Africa; the slump in the gold price, which is draining the South African treasury; and the diminishing economic decline of Namibia's economy.

Central to Mr. Botha's calculation was the determination of the Reagan administration to secure a cease-fire and settlement. It was the Reagan administration that undertook last year to change the tactics of the group of Western nations, which four years ago had more or less coddled South Africa into agreeing on a plan for Namibian independence only to see the Botha government put on a brilliant display of diplomatic filibustering to forestall the deal. Instead of threats, the Reagan administration had offered the Botha government a policy of "constructive engagement" that hinted that South Africa's pariah status in the West could be eased, if not ended, once it made good on Namibia.

Initially, South Africa had hoped to persuade the most friendly American administration it was ever likely to see to look at Namibia the way it did El Salvador: to define the issue as one of stopping Communism rather than of ending colonialism. But Washington never fell for the idea that the dependence of SWAPO on the Soviet bloc for arms meant it was a "proxy force" of the Soviet Union rather than the ideologically vague African nationalist movement it has always claimed, and appeared to be. Instead, in June, 1981, U.S. negotiators headed by William P. Clark, then deputy secretary of state, urged the South Africans around to the view that the withdrawal of 20,000 Cuban troops from Angola (where they have been since 1975, when South Africa invaded Angola) could be presented as a gain for South Africa.

Of course, if the Cuban withdrawal could be orchestrated along with a Namibia settlement, it would also represent a triumph for the Reagan Administration.

Mr. Botha knows that whatever hopes he harbors for the Reagan administration to ease the embargo on enriched nuclear fuel, perhaps, or even on military equipment, would be dashed if his government were held responsible for a failure on the Namibia plan. He also has to worry about being able to afford the Namibian war at a time when his military advisers are pressing ahead with costly preparations for an expected onslaught of South Africa's own black nationalists.

### Vast Diamond Concession

One-sixth of Namibia — the Namib Desert, from which it derives its name — is a vast diamond concession, and what was produced there underwrote as much as half the cost of administering the territory. When gold, diamonds, and uranium were in demand, South Africa could afford to call the Western bluff on sanctions.

But now the international diamond cartel, managed by De Beers, a South African concern, has cut back drastically on operations and purchases; the world's largest uranium mine, also in the Namib, is on a tax holiday, providing no revenue to the state; the worst drought in a generation has done more to hurt mining than SWAPO infiltrators ever have, and no one is investing a dime in Namibia's uncertain future.

But there is another side to the ledger. Independence would deprive the continent's last white bastion of its last buffer state. In strategic terms, independence would remove South African forces from battle stations in Central Africa and almost certainly install the black nationalist movement that South Africa has been trying to crush for most of two decades. White power would be unmistakably in retreat, and a message would go out to blacks as well as white South Africans that, sooner or later, there would have to be a deal with the outlawed black movements inside that white republic. That is why the Botha government has seemed permanently schizoid on the question of Namibia and why many analysts still cannot believe in its willingness or ability to carry out the proposed agreement.

In this overcharged context, one thing often forgotten is the country itself, the real Namibia that lies under all the layers of argument and confusion like a hidden masterpiece covered with varnish, retouching and grime. While diplomatic discussions drone on in Washington and at the United Nations, that suffering country waits to be restored, not only so that on-lookers can see more clearly but also so that it can rediscover itself.

### Land of Harsh Beauty

It is a land of harsh beauty and long vistas, in which the human presence seldom looms large. On the long drive across the Namib, you may encounter more kudus and ostriches than people; even on the single surfaced road that runs down the country from north to south, it is often 100 or more miles between settlements.

Nearly 80 percent of the 1 million Namibians live in the northern half of the country, a majority in a flat semiarid desert that is roughly the upper tenth within 80 miles of its long border with Angola.

Most of that sliver is Ovambo. Its inhabitants, the Ovambos, not only account for slightly more than half of all Namibians but they are also more than five times as numerous as the next-largest group among the various races and tribes in the territory.

For "Communists" who don't believe in God, the Ovambos spend a lot of time in church, most of them as members of a denomination established in the last century by Finnish missionaries and now known as the Evangelical Lutheran Church of South-West Africa. The South African security police, whose authority in Namibia has yet to be curtailed, tend to regard this church as SWAPO's ecclesiastical arm.

In their hunt for "terrorists" the night before I reached Ovambo, the defense forces had dropped parachute flares on a church station at Elim. It was just an accident, the military later explained, that the parachutes failed to open and the flares landed in the mission-hospital complex, burning to the ground a building that had housed offices as well as three families.

In the church at Elim that Sunday morning, the congregation prayed for people in prisons and those who had "gone away" — over the border, to join the insurgents. At the end, there were thanks that no one had died in the fire, which was still smoldering.

The soldiers are supposed to be protecting the people," the Rev. Kristof Shumba said after the service. "How do you protect people by bullying them?" The worst bullying these days, Ovambos say, comes from young Namibian blacks who are taken into what is called the Territorial Forces on wages that cannot possibly be matched in the declining local economy.

### Issue Cuts Both Ways

Under a scorching sun, the Rev. Eino Amombo, the church's other pastor, led the way to Elim's cemetery, where he pointed out the graves of those who had recently been assassinated or blown up by land mines. The presumption generally is that SWAPO lays the mines. But when the victim is a SWAPO sympathizer, the local people often conclude, rightly or wrongly, that the mine was planted by government agents. In Ovambo, the issue of terrorism cuts both ways, but the army always means SWAPO when it speaks of "terrorists."

"Communism is coming down," the white farmer in Grootfontein had said, but the only visible contagions in Ovambo were fear and malaria, which had suddenly returned in epidemic proportions because the war had virtually halted preventive spraying. In two weeks, the Finnish mission hospital at Otavi and the Roman Catholic hospital at Oshana had seen more than 3,000 cases between them.

The occupying South Africans tell the Ovambos that SWAPO is to be blamed for these conditions, but everything indicates that the local inhabitants believe that conditions will improve and peace will come only when the South Africans depart.

It is not enough to journey into the country to understand Namibia. To see how white dominance ultimately undermined itself, how it prompted an impulse to nationhood in a diverse collection of frontier peoples, it is also necessary to journey into the past.

The frontier clashes began back in the 19th century. The main contestants then were the Hereros and the Namas. The Hereros were blacks with a pastoral culture based on cattle. The Namas — the aborigine people called Hereritos by whites — drifted north from what is now South Africa in tribal organized clan groups, as did mixed-race coloreds called Bastards, who spoke Afrikaans, and some white pioneers. The Namas had their own language, but their clans took Afrikaans names. They were Afrikaners (not to be confused with South Africa's white tribe), Witboois (literally "white boys") and Swartboois ("black boys"). Guns and horses gave them an edge initially, but the Hereros had regained an uneasy dominance through the advent of the first German officials.

The Herero will to independence made itself

felt in a revolt in 1904 that probably did more to shape the country's future than any other event in this century. The revolt was crushed with a ruthlessness that can reasonably be termed genocidal. "Within the German boundaries every Herero, whether found armed or unarmed, with or without cattle, shall be shot," decreed an infamous order by a general named Von Trotha. There were thought to be more than 70,000 Hereros when the fighting started, fewer than 25,000 when it stopped. The Herero tribe was then formally dissolved and dispersed of all its lands. The Namas met a similar fate when they rose under the leadership of their greatest chief, Hendrik Witbooi.

Accordingly, the former Herero and Nama lands, representing roughly half of the country's total area, were made available to be divided into some 7,000 cattle and sheep ranches, which were then parceled out to whites. The decimation of the Hereros and Namas had another consequence: one that decisively shaped Namibia's future: it left the Ovambos as the numerically dominant group, and meant that they would have to be flushed out into the white economy as migrant laborers on farms and mines to overcome a dearth of able-bodied males.

### Hereros Were Unbowed

Political agitation in the modern sense began among the unbowed remnant of the Hereros. It was they who in 1951 sent the first petition to the UN, passionately disputing South Africa's claim that the "natives" supported the idea of merging Namibia into South Africa as its fifth province.

While the UN pressed to put the territory under the protection of its trusteeship system, South Africa methodically imposed the racial and political controls of its own ever-expanding corpus of apartheid and security laws.

In 1966, with the support of the United States, the UN General Assembly voted overwhelmingly to revoke the mandate on the ground that South Africa had failed to respect the right of self-determination of the territory's inhabitants. As the debate intensified, the South Africans discounted the Hereros as a difficult people with a difficult history that made them susceptible to meddling by outsiders.

But in the 1970s the Portuguese regime in Angola collapsed and SWAPO was suddenly in a position to bring the war for independence home to Ovambo. There is no question that Soviet and East German advisers and technicians now sometimes accompany the arms that flow to the insurgents from the Soviet bloc. But it is worth recalling that SWAPO started out as anti-Communist and nonviolent, and that South African obduracy, as much as any other force, shaped what it has become. Like most African nationalists, the insurgents call themselves Socialists. But they also indicate that they would be willing to renegotiate the contracts under which the diamond and uranium mines are exploited by South African and multinational interests.

The movement has a shadowy legal existence in Namibia, but its aboveground agents there are effectively immobilized by police surveillance. The real leadership is either in exile with Sam Nujoma, who resides these days in the Angolan capital of Luanda, or with Herman Toivo ja Toivo, one of SWAPO's founders, who for the last 15 years has been incarcerated in South Africa.

Oddly enough, the two men have never met. Mr. Toivo was under house arrest when Mr. Nujoma joined what was then called the Ovambo People's Organization shortly before going into exile in 1959 as SWAPO's first overseas representative.

When I last saw Nujoma in Geneva during a UN conference on Namibia 18 months ago, he insisted that he and his followers were "first and foremost, Namibian patriots fighting for the liberation of our country." Nothing in his conversation suggested he was preoccupied with the issues that an independent Namibia would face. I came away thinking that he had one fixed idea: simply the removal of South African political and military dominance.

### An Axiom Repeated

South African generals, having read the books on the Vietnam War and watched the struggle in Rhodesia, studiously repeated the axiom that guerrilla war had to be won politically. So the white authorities threw themselves into the unaccustomed business of mobilizing a multinational coalition to defeat SWAPO. Conceding finally that Namibia could someday be independent, Pretoria's minions labored to shape a regime that would not be too independent from an economic or security standpoint, one that would scuttle apartheid without dispossessing the whites.

This meant getting all the ancient enemies — the Hereros, local Germans and Afrikaners — into the same government with whatever anti-SWAPO Ovambos could be found or created by patronage and money, along with all the other groups that the South Africans had labored to keep separate for half a century. It meant, in effect, creating the kind of national movement that SWAPO started out to be in order to withstand the force of the Communist marauders that SWAPO had supposedly become.

This anti-SWAPO front was dubbed the Democratic Turnhalle Alliance (DTA), after the old German hall in Windhoek where an agreement was reached on the oddly distributed form of government made up of three tiers: a multiracial national tier, a second tier of separate "ethnic authorities," and a third tier of municipal governments that has remained in white hands for the apparent reason that no one has been able to dilute white authority at that level without destroying it.

It was an imaginative try, in its way. Suddenly, white South African officials had to enforce laws that made racial discrimination in public places illegal. But it backfired, largely because white politics in South Africa itself required that the whites of Namibia — especially the Afrikaner majority among them — not have a new identity as Namibians shoved down their throats.

To protect them, and to coax them along, the white ethnic authority had to be given control of its own segregated schools and hospitals. Then, to run them, it had to be able to claim all the income taxes whites paid, which was 90 percent of the total. The white authority was virtually beyond the control of the multiracial legislative assembly and council of ministers that were supposed to make up the new government. The 10 other ethnic authorities got houses and cars for their ministers, some new schools and not much else.

The blatant imbalance in the distribution of funds inevitably led to tensions within the DTA, which has been headed since its inception by an Afrikaner rancher named Dirk Mudge.

To hold itself together, let alone bid against SWAPO for black support, the DTA found it had to speak of national rather than community needs. This amounted to decrying white privilege, which led the DTA to lose most of its Afrikaner support and thus undermine its usefulness to the South Africans. It also served to vindicate SWAPO as a movement that had always preached the need for simple national so-

lutions. Of the 45 political parties and factions that sprouted in the hothouse politics South Africa cultivated in Namibia, only the white parties still bother to defend the alliance.

This is the confused and unhappy state Namibia has become as it waits for the international midwives to deliver it to itself. It is a state of mind that faces backward and forward at the same time.

Now that the DTA has been spurred by men Afrikaners in Namibia, the local Germans furnish the bulk of its white support. This is not to deny that there are extreme rightists and even neo-Nazis among the 25,000 or so southwesterners of German origin — in Otavi, there were enough to hold a small party on Hitler's birthday this year. But leaving aside throwbacks to the 1930s, today's Germans give an impression of being readier than other whites to try on a new identity as Namibians.

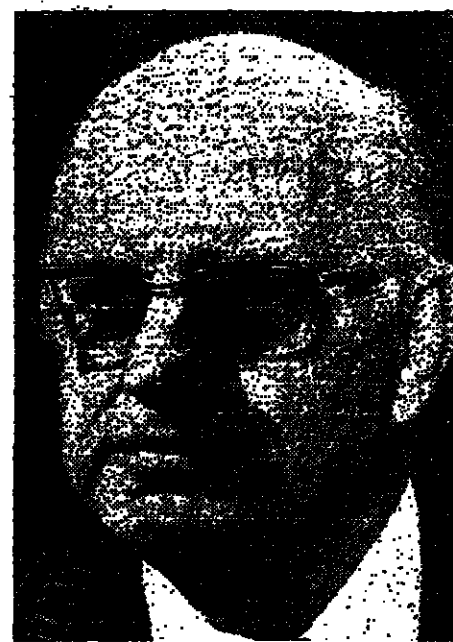
Matheis Henrichsen said he didn't really feel German and certainly didn't feel South African. The current head of a German merchant family that has been in Swakopmund, a coastal resort, for four generations and now the town's mayor, Mr. Henrichsen was one of the few whites I encountered who openly said that he would try to stay if SWAPO came to power.

But he was not optimistic, mainly because he expected a mass white exodus. Proportionally, the white share of the population is still double what it was in the old Rhodesia, but it is likely to shrink much faster after independence since most of the whites are South African nationalists.

SWAPO claims to be non-ethnic and is not without Herero supporters, but the breach between the Ovambos and Hereros represents the failure for the insurgents in their effort to build a national base — and the major success for South Africa in trying to prevent that. Ultimately, the estrangement must be traced to the fact that the movement of resistance to South African rule has bypassed the people who started it for reasons that now seem obvious to everyone but them: the Ovambos, who account for more than 50 percent of all Namibians, live on the Angolan frontier, which puts them in a position to wage guerrilla struggle; the Hereros, who account for fewer than 8 percent of the population, were dispossessed of their land and shoved back to remote reserves.



Sam Nujoma



Pieter W. Botha

If Namibia is a metaphor, it stands for the divisions among blacks and the whites' rear-guard tactics. First, the color bar was bent, and then whites were urged to enter an alliance with non-white minorities against the main force of black nationalists. In broad outline, this is what is happening now in South Africa itself as Mr. Botha seeks to share power, on a minimal basis, with coloreds and Indians. What was attempted in Namibia was far more daring, in that it involved scrapping the past laws, which control black movement, and the Group Areas Act, the basis of residential segregation.

But it was not enough, because the whites weren't truly interested in power sharing. They wanted to remain in control.

The failure of the Turnhalle strategy stands out most vividly in the southern part of Namibia, precisely because the region is so remote

from Ovambo and direct SWAPO influence. And yet SWAPO is expected to do surprisingly well there when the Constituent Assembly election is held, mainly because the insurgent organization has the support of the region's most important leader. He is Hendrik Witbooi, a great-grandson of the legendary chief who led the last Nama rising.

When he refused to lend his prestige to the DTA, the present Hendrik Witbooi lost his job as principal of a state school. And in Gibeon, Mr. Witbooi's followers live in some of the most pitiful shanties in southern Africa, on barren, rock-strewn land.

Will the shanty dwellers vote for the Witbooi tradition of resistance or for the ministers who got the new houses? Such questions swirl themselves in Keetmanshoop, where at this late date the whites are preparing to dedicate a new \$20-million hospital that will exclude blacks.



## The Height of Rudeness

Daily Life in Moscow Is a Battle With Uncivil Service

By John F. Burns

**MOSCOW** — The gruff manners begin at Sheremetyevo-2, the modern airport on Moscow's northwestern fringes. Passengers arriving on international flights file down poorly lit stairs to a glass booth, where a stony-faced KGB man inspects every detail of passport and visa, checking and rechecking until the new arrival almost feels that arrest is imminent.

The initial encounter with the Soviet system sets the pattern for much that follows. While Russians can be disarmingly kind in their private lives, once they don a uniform or step into a job in which they deal with the public, they can be as brusque as a traveler will find anywhere. Learning to cope with unprovoked rudeness is one of the everyday challenges of living here.

### Without Apology

By all accounts, what is irksome for foreigners is worse for Soviet citizens. The authorities, eager to impress and just as keen to keep outsiders away from the mainstream of Soviet life, place foreigners as far as possible in a cocoon that includes special apartment buildings and hotels, food stores and traveling arrangements, as well as a license to jump the line at Lenin's mausoleum and in other crowded places.

Similar privileges are available to the Soviet bureaucratic class. But for the average citizen, life is often punctuated by jarring rebuffs. The high-handedness with which a ticket clerk at a railway station or a saleswoman in a food store deals with customers can be shocking even to Westerners who have experienced the incivilities of an ill-tempered New York cab driver.

An American visitor, seeking a friend in one of Moscow's Western-built luxury hotels recently, asked for the room number from the attractive woman in her mid-30s manning the information desk. Without looking at her list the woman waved the inquirer brusquely away, muttering that nobody of that name was registered. When the American persisted she agreed with ill grace to look at her cards and found the person in question immediately. There was no apology.

Kenneth Lipper, a partner in Salomon Brothers, the Wall Street investment bank-

ers, told Rolling Stone magazine after a visit here last year of his experiences in Soviet restaurants. "Eight or nine waitresses are talking in a group over at the side of the room," he recalled. "Clients are waving their hands all over the place, but the waitresses just stand there. If the manager is there, he doesn't seem to care either."

The American authors of a guide to Moscow restaurants, Lynn and Wesley Fisher, felt that the difficulties with waiters deserved separate treatment. In their book "Moscow Gourmet," they titled one section "Waiter Societies," and advised customers to tread softly. "Assume that he is serving food, not you," they wrote, suggesting that the causes of the problem lay in the poor pay and low prestige of the job, as well as the perception that serving others "bears a stigma in a country committed to ridding itself of exploitation."

On Moscow's streets it is a common sight to see bus drivers roaring away from stops leaving old people waving after them, and drivers of the ubiquitous black Volga sedans of the middle-level bureaucracy charging at pedestrians who anticipate the light at a crosswalk.

### Typical Exchange

The Soviet press gives exhaustive attention to the lack of civility, printing articles and letters that chronicle cases in colorful detail. A poet of some renown, Larisa Vasilyeva, writing recently in the weekly *Literaturnaya Gazeta*, went so far as to offer a handy guide to the different types of "boorishness" — those occurring in domestic life, in stores, on public transport, in the street and at the office.

In another recent article, a Soviet reporter chronicled a series of incidents that might be typical for the average Russian. One involved a visit to the ticket office at the local bus station. "Three women were savored some tasty morsels of gossip," he wrote. "The cashier, Dragunova, well turned out and with the coiffure of a lady, was leaning back in her chair and laughing heartily. I asked the good ladies to sell me a ticket. Dragunova turned round with a scowl — it's amazing how quickly her expression changed — and barked out, 'No tickets!'"

The writer recalled the exchange that fol-

lowed: "But you've only just started selling them! Can I see your reservation list, please?" "And who do you think you are, Mr. Big Shot? A minister?" "Minister or not, kindly sell me a ticket."

"I said there were no tickets, so clear off!" The importunate fellow left without a ticket.

Extreme cases of incivility can land the offender in court on charges of boorishness, for which the common penalty is 15 days in prison. But for the most part, the authorities have attempted to deal with the problem by exhortation. Several books of etiquette have been printed, some with press runs in the millions.

### Theoretical Explanations

Ultimately, Miss Vasilyeva suggested, the cause of the problem lies in features of everyday life that are as common in the West as here — a childhood under a nagging mother and a fatigued or alcoholic father, schooling under ill-tempered teachers and so on until the innocent child is turned into "a first-class lout." Other Soviet articles have suggested that the reasons lie in the daily hardships of Soviet life — long lines for staple foods, overcrowded living conditions, monotonous jobs, inefficient transportation systems, a lack of sufficient entertainment and recreation.

Westerners might offer other theories. In the early years after the revolution visitors here reported admiringly on the directness of Russians who were striving to turn their backs on the cloying mannerisms of the czarist aristocracy. The brusqueness of the Aeroflot check-in clerk or the hotel doorman may be a legacy of this.

Yet, few foreigners who have been here any length of time would accept that Russians are by nature discourteous or unkind. If they sense a challenge, they are likely to bear down hard. But if those seeking their assistance, Russian or foreign, manage to convey the idea that they are petitioning for help they hardly deserve, they will often find an extraordinary degree of concern. Anybody who has sought the help of a policeman after driving into a snowbank or sought assistance in righting a capsized sailboat knows that, in the right circumstances, Russians can be among the most warmhearted people anywhere.



## ARTS / LEISURE

## 'Rugissants' Sails Into Limp Script

By Thomas Quinn Curtiss  
International Herald Tribune

PARIS — The protagonist of Christian de Chalonge's "Les 40èmes rugissants" (The Roaring 40s) is our venerable acquaintance the Strong, Silent Man, back from a vacation in the theatrical store-room.

This time he is an tinkering electrician who specializes in maritime equipment in a French port. Unable to sell his inventions, he quits his wife and child to go to sea. Egged on by a shady publicist, he enters a competition to navigate his trimaran from St. Malo on a nonstop excursion round the Cape of Good Hope, Australia's Cape Leeuwin and Cape Horn. He

alone on his boat battling the roaring tempest and surging waves.

Jacques Perrin as the amateur sailor looks grimly determined, Julie Christie flutters as his wife back home, and Michel Serrault's characterization of the bombastic press agent is limited to a calculating expression and perpetual puffing of cigarillo.

It is only in its documentary sequences of heavy weather at sea that "Les 40èmes rugissants" has authentic excitement.

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The tale of the commoner enamored of a princess has its origin in folklore and must be as old as the world. It remains a serviceable premise and has lost none of its appeal in our day.

It has been accorded precious little invention as retold by Pipolo and Castellano in "Imammarato Pazzo" (Madly in Love, billed in Paris as "Amoureux Fou"), an Italian farce about a tourist bus driver who encounters a foreign princess escaped from chaperoning to see the sights of Rome. The princess, happily, is one of the cinema's leading beauties, Ornella Muti, which makes the occasion a treat pictorially. Her plebeian beau, Adriano Celentano, sings, dances and cavorts so frantically that one suspects he would make a better living on television (from which he has probably been recruited) than as a chauffeur. All ends with democracy's triumph over royal prerogative.

"Family Rock" is the first full-length feature by a French beginner, José Pinheiro. The title is misleading, as the prospective customer is apt to conclude that what is being offered is a pop musical in English.

But "Family Rock" outlines with engaging simplicity the pulsing wanderlust of a young clown who, with his wife and two little children, travels from one provincial fairground to another in his trailer-bus, to which a portable merry-go-round is attached. This nomad tribe entertains rural communities for a night or two and then continues its endless journey, finding footloose gypsy existence preferable to any home and hearth.

Pinheiro communicates the love of the open road that rocks this family with an exhilarating appeal. Though often defective in theatrical buoyancy, and excessive in length, the film is rich in its creation of moods and in its originality in depicting certain incidents.



Perrin in "Rugissants."

cheats at the endeavor, and, ridden by conscience, disappears. His boat is found abandoned in the Atlantic, his log recording the voyage he actually made. It was extensive and dangerous, but it did not comply with the rules of the contest.

André G. Brunelin's scenario was inspired by the case of Donald Crowhurst, a former Royal Air Force war pilot who, under similar circumstances, vanished on a futile expedition in 1968. The fictionalized version, transforming the Englishman into a Frenchman, attempts a study of a restless romantic thwarted in his quest for glory, a sort of Lord Jim faced with a Conradian dilemma, pitting his ambitions against a formidable challenge and defeated not by lack of bravery but by loss of honor.

The treatment, however, calls for sturdier dramaturgy. The hints of the familiar Strong, Silent Man's psychology are superficial; the film's merits are its exciting sea scenes, with the hero (or anti-hero)



"We don't need no education," chant children in "Pink Floyd: The Wall."

## Another Film Brick in 'The Wall'

By Janet Maslin  
New York Times Service

NEW YORK — Pink Floyd fans are going to find "Pink Floyd: The Wall" pretty comic; employing almost no dialogue, it uses fantasies, animation and assorted psychedelic frontiers to flesh out a rock album more enthusiastically than any film has since "Tommy."

This, I'm not sure I would have realized without reading the program notes by the director, Alan Parker, is the story of Pink, an English rock star who sits traumatized in his Los Angeles hotel room. He is sick of sex, drugs, fame and the other drawbacks of his style of life. He is weary and alienated and self-destructive.

So he daydreams about warfare, about his mom, about the wife who left him, about fascism, about — this part is animated, by Gerald Scarfe — flowers engaged in angry sexual congress. Each rotten thing that has befallen him is, as the lyrics of the Pink Floyd song put it, one more brick in the wall. In addition to the other repeating motifs, there are lots and lots of wall shots.

## Starting Imagery

"Pink Floyd: The Wall," which was written by Roger Waters of Pink Floyd, might seem to be an odd film for Parker, having so little to do with his other films, such as "Midnight Express," "Fame" and "Shoot the Moon." Actually, it's right up his alley. He is capable of startling imagery, which comes in handy here. And there are elements of self-pity and sensationalism to a film like "Midnight Express," qualities that aren't out of place in illustrating poor Pink's plight. Parker has brought plenty of energy to this project, and he has done his resourceful best to make it an overpowering experi-

ence. However, not every viewer may care to be overpowered in quite this way.

"The Wall" is a shameless all-out assault on the senses, rising to crescendos of grandiose fantasy. When Pink (Bob Geldof) thinks of battle (his father died in World War II), he imagines dozens of bleeding corpses and equates combat soldiers with fans charging into a concert. After he flies into a fit and wrecks his hotel room, he arranges the bits of records and drugs and smashed guitars in beautiful little patterns, as if this were a shrine. When he thinks of himself as the tender young Pink, it is with the greatest of reverence. When he envisions an all-powerful

Pink, he sees himself as a Nazi-like dictator.

Whatever can be done with this, Parker has done and then some. "The Wall" is a good-looking film, and it has no shortage of nerve. When Parker puts an entire choir of schoolchildren on a conveyor belt leading into a meat grinder as they sing, "We don't need no education," he is being nothing if not bold. These effects, while some are individually powerful, are dwarfed by the towering self-importance of "The Wall" and by its lack of focus. Pink, who sits in a daze and occasionally rises to hurt himself, is a wordless figure and not a particularly involving one. But he is the only center the film has.

## Mellowing Yves Montand Plans World Tour

By Jeffrey Ulbrich  
The Associated Press

PARIS — He's 60. His fiery leftist rhetoric has mellowed. But the voice and presence are still there as he knocks them dead with his one-man show at the Olympia music hall.

After concentrating almost exclusively on films since 1965, Yves Montand returned to singing last year, with a mix of old favorites and new songs that he will be taking on a world tour soon.

"I discovered in a drawer some songs Jacques Prévert wrote for me 15 years ago," said Montand, leaning back in one of the two folding chairs in his dressing room at the Olympia. "Then, somebody brought me another song. That's two. Then there was a song I was crazy about in my generation, called 'The Roses of Picardie,' from 1952." He sang a few bars. "That was three."

"Suddenly, I felt a desire to sing, and here and there accumulated about 10 songs and I made a record called 'Montand of Yesterday and Today.' And bam!" It came out in 1980, his first album in 15 years.

"It gave me the desire. Come on, Montand! My grandson doesn't know me, has never seen

me on the stage. Come on, I'll do it. But it took three months to make my decision. I wanted to see if my memory worked, my breath worked."

It did. The result was three months at the Olympia last fall, followed by a tour of 27 French cities and a three-week stand back at the Olympia that ends Friday. His world tour begins in São Paulo on Aug. 26, followed by Brasilia, Rio de Janeiro, New York, Washington, Quebec, Ottawa, Sherbrooke (in Quebec), Montreal, San Francisco and Los Angeles, ending with two weeks in Japan.

## In a Golden Jail

"It takes a lot of energy, what I call a reserve of energy. I came here at 4 o'clock in the afternoon for 9 o'clock tonight. Why? Because I want to be involved in what I'm doing and cut out the rest of my life — income tax, telephone, that sort of thing, even your family."

"I know that until Nov. 20 I will be in a marvelous jail, a golden jail. I opened the door myself, and I closed myself in. I have the key, of course."

He was born Yvo Livi, in an Italian alpine village north of Florence, on Oct. 13, 1921. When he was 2, his family moved to Marseilles.

He left school at 11, and before the war started singing in small Marseilles clubs.

For years he was in the forefront of leftist demonstrations throughout Europe, being joined later by the actress Simone Signoret, whom he married in 1959. Now, though he is vague about when the change occurred, he has altered his political views.

"For a long time, people of my generation accused capitalism for all bad things. But it was only the people of the left that were killing people. They were conducting abominable massacres. Therefore, you couldn't continue in a religious fashion and say, 'Never mind, tomorrow it's going to change.'"

"I am against unbridled capitalism. Not only will it destroy you, it will destroy itself. But a very well-managed capitalism, I am for it. You see, after 20, 30, 40 years, I have experience in things. People want to live a comfortable life and be left alone. You can't ask someone to invest money if he can't make money."

Still, he said, he remains a leftist. Of his activist days, he said: "It seemed to me with our experience, with what we read, with what we saw, that we made a big, big mistake. Now, when we make an attack, we must be clear and precise. Not just against imperialism."

There are two still more notable midsummer transfers: to "The Globe from Greenwich," Alan Strachan's definitive production of "Design for Living," which allows Maria Aitken, Gary Bond and Ian Ogilvy to form themselves into the most sophisticated and scintillating triple act in town; and to Wyndham's from Stratford East, Robyn Archer in "A Star Is Born." Though I'm still doubtful about the construction of the latter, this solo show allows Archer (the most electrifyingly theatrical singer to have reached these shores since Minnelli and Streisand more than a decade ago) to belt her way through a selection of show-stoppers, and for those alone it should not be missed.

## 'Salonika': Sands of Time

By Sheridan Motley  
International Herald Tribune

LONDON — Those Londoners still smugly inclined to believe that, theatrically at least, the United States has nothing to teach them might do worse than consider the current activities of the Royal Court.

Downstairs, in the main auditorium, is Terry Johnson's "Insignificance," a play about Albert Einstein and Marilyn Monroe at the time of the 1953 McCarthy hearings, much admired in this column and grudgingly reviewed elsewhere, while at the Theatre Upstairs is Louise Page's "Salonika," much admired elsewhere for reasons incomprehensible to me, unless it be that Page has just won the George Devine Award for promising young playwrights, which seems to convey a curious kind of sanctity on the holder, at least for a few months.

Johnson is a young American writer — for my money, the best since Albee — who has managed to put four familiar American folk-myth characters into a New York hotel bedroom and weave around them a play about nothing less than the future, if any, of the world; Page is a young English writer who has taken five English archetypes, put them at a Salonika beach, and failed to achieve even a sandcastle.

True, she has had one splendid note: Though four of her characters are living in the present, the fifth (Christopher Fulford), who arises from beneath the sand in the play's one moment of true drama,

is a World War I soldier who has come back to haunt his now 83-year-old wife (Gwen Nelson), their sour, 64-year-old spinster daughter (Sheila Burrell), a 75-year-old lover of the widow (Richard Butler) and a random bloke (Garry Cooper) who lives on the beach selling his blood.

Page could have taken her intriguingly motley team almost anywhere.

## THE LONDON STAGE

where: a discussion of World War I life and death, perhaps, or a comedy about old-age pensioners on holiday, or one of those Priestley-Barrie time plays, or even a drama about the problems of toxicists who wish to sell their blood rather than have it sucked out of them by Greek hoteliers. Page's achievement has been to venture down almost every one of these alleys for a few minutes, retreat again, and end up after two and a half hours nowhere very much.

The dead soldier, we eventually learn, was not a hero but a suicide, and the beach boy eventually sells so much of his blood that there's not enough left for himself. Beyond that, not a lot happens; mother and daughter bicker over mother's lover, daughter tries to buy a little sex, and the play gradually drifts into the kind of aimlessness associated with BBC radio drama on hot Saturday afternoons. Page would be well advised to nip downstairs to the Court's main auditorium to see (and above all hear) how plays are really made.

To the Barbican from last summer at Stratford has come a sharp-edged Ron Eyre production of "The Winter's Tale." The set has been stripped of its tailors' dummies and is now a bare platform, slightly raised, on which unfolds a lucid exposition of a less-than-wonderful play. Previous Royal Shakespeare Company productions of it have been either reined (as did Trevor Nunn's in 1969) on the playing of Hermione and Perdita by the same actress, or (as did John Barton's in 1976) on transforming Bohemia into a comic-opera state where re-hearsals would seem to be in permanent progress for a tour of "The Student Prince."

Eyre chooses neither of these escape hatches; instead, his "Winter's Tale" is effectively the flip side of his earlier Stratford "Othello" with Donald Sinden. Here too we have a play about male and female jealousy, and it has been given a crisp, cool, rather subtle intonation in which the high points are chiefly reached by Sheila Hancock's splendidly busy Paulina. Why she hasn't had Leontes put in a funny farm and taken over his kingdom as regent is, alas, never explained by Shakespeare, but the idea of this distinct nurse bringing stunner back to life in time for the curtain call is distinctly intriguing, as is the notion that the play is in fact "Othello" rewritten as comedy.

Patrick Stewart does a good wild-eyed Leontes, a king light years removed from his "Henry IV," also in the current Barbican rep; and Gemma Jones is an understandably indignant Hermione. Just where the play starts to fall apart — around the middle of the second half, which is where in olden Stratford days they'd have brought on the dancing girls — this production also gives up the ghost, and Geoffrey Hutchings' Antiochus has all the despair of Tony Hancock at the end of a pier on a Monday night with not enough customers in for the first house.

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Sweden.....S.Kr.	990	495	270
Switzerland.....S.Fr.	320	160	90
Rest of Europe, North Africa and former French Africa, U.S.A., French Polynesia, Middle East, Rest of Africa, Canada, Latin America, Gulf States and Asia .. \$	256	128	71
	264	132	72
	352	176	98

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# BUSINESS / FINANCE

WEDNESDAY, AUGUST 11, 1982

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## BUSINESS BRIEFS

### Ford to Buy Back 500,000 Shares

DEARBORN, Mich. — Ford said Tuesday it will purchase up to 500,000 shares of its common stock in the open market at prevailing market prices.

It said the stock is being purchased to eliminate the dilution that resulted from the company's recent exchange of stock and cash for outstanding debt.

### BHP Asks For Long-Term Assistance

MELBOURNE — Broken Hill Proprietary said Tuesday that it must have long-term government aid and protection if its steel division is to survive the current world steel industry slump and avoid further layoffs and closures.

BHP, Australia's only raw steel maker, has told the government's Industries Assistance Commission it needs increased tariff barriers and a guaranteed 85 percent share of the Australian market as well as tax and depreciation concessions.

Long-term aid has been opposed by Japanese steel industry officials and government ministers who noted that Japan's steelmakers are major users of Australian iron ore and coal. The government's temporary assistance authority is currently considering a BHP request for short-term help. BHP lost \$13 million in the year to May 31.

### Japanese Get Brazil Rail Line Deal

TOKYO — Rede Ferroviaria Federal, the Brazilian federal railway, has signed a \$5 billion (321 million) contract with a Japanese consortium for the modernization of railway lines in the suburbs of Rio de Janeiro, Mitsui & Co., the prime contractor, said Tuesday.

The Japanese group, which also includes Toshiba, will start shipments in September 1983 of transformers and electrical equipment, it said.

The order is in addition to a 12 billion yen railway modernization contract concluded last December by the same Japanese consortium with Rede Mitsui.

### Citicorp Unit to Market Braniff Planes

HARRISON, N.Y. — Citicorp said Tuesday that its Citicorp Industrial Credit subsidiary and USAir have agreed to remarket seven Boeing 727-200 advanced aircraft that had been operated by Braniff International.

Eight major U.S. banks became coowners of the aircraft through a trust established in the reorganization of a Braniff subsidiary in exchange for the cancellation of some debt. Citicorp Industrial has a portfolio of nearly 100 leased aircraft.

### Seatrains Files Reorganization Plan

NEW YORK — Seatrain Lines Inc., the tanker company that sought protection from its creditors in February 1981 under federal bankruptcy laws, filed a reorganization plan Monday intended to repay nearly \$400 million in loans and guarantees from the Federal Government.

Under the plan filed with bankruptcy court in New York, some of the company's executives and banks would take over the company's six remaining tankers in exchange for paying off debts of about \$500 million, including nearly \$400 million in government loans and guarantees.

Seatrains' two heavy-lift ships, which carry military cargo and are chartered to the government's Military Sealift Command, would remain with the reorganized company, becoming its principal assets.

## AEG Receivership Risk Is Covered, Banks Say

Compiled by Our Staff From Dispatches  
FRANKFURT — Leading creditors of AEG-Telefunken said Tuesday they would be able to cover the risks associated with the company's application Monday for receivership.

At the same time, banking sources said the banks are expected to offer AEG-Telefunken 1.1 billion Deutsche marks (\$440.6 million) in new credits in conjunction with the restructuring plan involved in the receivership application.

Some sources said a final decision on the offer could come in the next two days.

Shares in AEG-Telefunken fell to a record low of 24 DM at the close of Tuesday's market, dealers said.

The shares had been suspended Monday pending the announcement of the company's receivership application. The company had been in a settlement with creditors, but trading was resumed Tuesday. The shares closed Friday at 27.80 DM.

According to West German law, the new credits will be made available directly to the receiver, who will then administer their use by the company, the sources said.

The credits would take priority over other liabilities should the restructuring proceedings fail and the company be forced to declare bankruptcy.

Dresdner Bank, AEG's leading creditor, and several other West German banks are owed the equivalent of \$1.6 billion by the company and hold about 56 percent of the group's equity.

In a statement Monday, Dresdner said that, together with

## Smiles Fill Gulf Offices As Merger Is Scrapped

By Douglas Martin  
New York Times Service

PITTSBURGH — The mood around the Gulf Oil headquarters was unexpectedly bright this week. "I don't know why we're smiling," James E. Lee, the company chairman, said. "We just got sued for \$3 billion."

But smiles it was. When informed of the suit filed Monday by the Cities Service Co. against Gulf, Harold H. Hammer, executive vice president, said with a smile, "That's a nice round number." The suit charges breach of contract by Gulf for abandoning its plans to acquire Cities Service, based in Tulsa, Okla.

While Gulf's abrupt abandonment of the merger plan has embittered many on Wall Street, surprised officials in Washington and left Cities Service searching for a solution, Gulf officials expressed the conviction that the company got out of the \$5 billion deal while the getting was still good.

Mr. Lee and Mr. Hammer, who together directed Gulf's takeover campaign, contend that meeting antitrust objections raised by the Federal Trade Commission would have cost too much, and might have spurred a years-long war of attrition.

"We're not talking about nickels and dimes," Mr. Lee said Monday. "We're talking about millions of dollars a year."

For Gulf, the bottom line in dropping the offer is its contention that it had the legal right to pull out (Cities Service disagrees) that it could not deal with the FTC on a businesslike basis (the FTC disagrees), and that Cities Service's offer of help was too little and too late (this is expected to be a subject of numerous lawsuits).

Two other concerns, according to the Gulf

officials, were a possible change in tax legislation that would have added to the merger's cost, and unspecified things that Gulf investigators learned about Cities Service as the merger went ahead.

Signs of hasty retreat were apparent throughout the executive suites of Gulf's headquarters here. A map of the United States with an orange pin for every Gulf installation and a green one for every Cities Service facility had been quietly abandoned, the executives said.

Two crack teams of newly sprouted merger specialists were reassigned to their old jobs, and legal experts pointed emphatically to clauses in the contract between the two companies that they contend were drafted by Cities Service giving Gulf the right to withdraw unilaterally.

There was also concern for Cities Service — which had become almost a part of Gulf, but is now fighting for its life as a company. "Obviously, we're distressed," Mr. Lee said.

Not Many Calls

But not so distressed that he and Mr. Hammer were not able to toss a barb or two in the direction of Tulsa. "Cities Service did not have the reputation of being one of the best-managed oil companies," Mr. Hammer said. He and Mr. Lee also took issue with the statement by Charles J. Weidlich, chairman of Cities Service, that a drop of \$2 to \$3 a share in the proposed price for Cities Service would have been nearly enough to fund steps necessary to meet the FTC's objections.

But Mr. Hammer said he expected other companies to express an interest in Cities Service for the same reason Gulf had, for the Tulsa

(Continued on Page 11, Col. 3)



A trader on the floor of the New York Stock Exchange slumped into a chair as prices fell Monday after the proposed Gulf-Cities Service merger was called off.

## U.S. Backs Charges Of Steel Dumping By EEC Companies

By Jane Seaberry  
Washington Post Service

WASHINGTON — The Reagan administration, after failing to negotiate an end to the steel trade crisis with Europe, Tuesday charged steelmakers from five European Common Market countries and Romania with selling steel in the United States at unfairly low prices.

The preliminary decision is the second blow to the EEC's steelmakers in the past two months and requires the importers of the offending steel products to post bonds with the government as high as 41 percent of the product's value.

The Commerce Department, faced with the worst trade tensions since World War II, already ruled against seven European countries in another case last June, accusing them of receiving unfair subsidies from their governments and undercutting their U.S. competitors.

In addition, the Commerce Department said appropriate duties will be levied retroactively to May 10 on imports of certain steel products from two French and one Belgian firm because the department found there had been "a surge of shipments apparently intended to beat the statutory deadlines for imposition of anti-dumping duties."

Those firms are Sacer and Usinor of France and Cockerill-Sambre of Belgium.

The countries accused in the new decision are Romania, Belgium, France, Italy, West Germany and the United Kingdom, the same ones charged in the last round.

There was no immediate response to the decisions by the EEC.

The decisions came after tense negotiations between high level officials of the Reagan administration and the EEC last week in an attempt to head off any more tension-causing rulings against European steelmakers that would result in added duties.

The negotiations culminated in an arrangement to limit exports of steel products from the EEC.

However, three of the largest U.S. steelmakers and the U.S. specialty steel industry immediately rejected the proposal as inadequate, virtually killing the arrangement.

The Commerce Department said it would lie low before deciding what step to take next in attempts to negotiate a peaceful settlement.

The tentative agreement would have set up an export licensing arrangement that would have the effect of reducing exports from Europe next year to 5.754 percent of the U.S. market compared to the 6.4 percent penetration now.

Pipes, Tubes Excluded

The agreement, however, did not include limits for shipments of foreign pipe and tube products for the oil industry, the most troublesome issue in the dispute. That issue would have been decided later.

On June 24, the Commerce Department preliminarily ruled that seven European steelmakers had been unfairly subsidized by their governments by as much as 40 percent.

The department required the foreign steel importers to post bonds or cash in the amount of the alleged subsidy until a final determination is made on Aug. 24.

In Tuesday's decision, the department said steel from 16 companies in six countries had been priced at unfairly low levels. The dumping margins ranged from 0.5 percent to 40.7 percent.

The Commerce department is scheduled to make a final decision in the case on Oct. 25.

## N.Y. Stock Prices Drop as Rally Bids Fizzle

Compiled by Our Staff From Dispatches  
NEW YORK — Prices on the New York Stock Exchange closed lower Tuesday in moderate trading when several rallies fizzled as investors remained pessimistic about chances of an economic upturn.

The Dow Jones industrial average fell 1.05 points to close at 279.30, the lowest point since July 27. The index had been up more than four points several times during the day.

Decline led advances 729 to 653. Volume declined slightly to about 53 million shares from the 54.6 million traded Monday.

Analysts said the market reacted negatively to Treasury Secretary Donald T. Regan's remark that a defeat of the tax bill would make an economic recovery "a lot more difficult."

Some analysts saw this as a sign that the bill could be in trouble in Congress. Others doubt the bene-

fits even if the tax bill wins congressional approval.

Analysts said stock prices moved higher early in the session on the basis of some good economic indications, especially an expected bond market rally. But improvement in the bond market was less than expected and profit-taking abolished some stock gains.

Michael Metz, an analyst with Oppenheimer & Co., described the market as having "low conviction and high anxiety." Investors lack faith that the economy will improve and that lower interest rates will result, he said.

He said bargain-hunters nudged prices higher at several points but were quick to take profits.

Interest rates had fallen sharply Monday after the Federal Reserve temporarily bought securities to provide credit to the banking system.

The Fed bought securities from dealers who agreed to buy them back Tuesday. When the Fed buys securities, reserves are injected into the banking system as dealers place the money into their banks.

Even though analysts said the Fed's move was technical and not a sign of any easing of monetary policy, the market reacted strongly with Treasury bill rates falling by a quarter to almost half a percentage point.

"The technical analyst can say whatever he wants," commented an economist at Paine Webber, "but as a practical matter, traders and some investors saw it as an effort by the Fed to keep the funds rate from rising."

Cities Service, the most active NYSE issue, rose 1/4 to 31 1/2 despite the fact that Allied Corp. said it was not interested in acquiring the oil and gas producer.

## Mexico Asks \$150-Million Eurocredit

Reuters

LONDON — Mexico is raising a short-term, \$150-million Eurocredit, in what bankers see as yet another confirmation of the country's near-term cash squeeze.

Lead manager Banco Nacional de Mexico (Banamex) confirmed Tuesday that the loan will be in two tranches.

A six-month portion will carry a spread of 3/4 percentage point over the London interbank offered rate or 1/2 point over the prime rate, while a 12-month portion will have a margin of one point over Libor or 3/4 point over prime, it said.

North American and European bankers in Mexico City said last month that they expected the margin on one-year loans to Mexico to rise to around 1 1/2 percentage point over Libor, against 0.75 point a few months ago.

Mexico has experienced increasing difficulty raising funds this year as concern has mounted over the state of the country's economy, bankers in Mexico City said.

The country had public sector foreign debt of about \$52 billion at the end of last year and is scheduled to show an \$11 billion net increase this year.

Last week, Mexico said it was forced to adopt a two-tier foreign exchange rate because of massive speculation against the peso. Under the system, the government will not support the floating peso, but it has established a preferential rate for priority imports.

The action will put additional pressure on already hard pressed areas of the Mexican private sector, since the repayment principal by private firms will be at the new freely floating rate, they said.

This increases the chances that some private Mexican firms will be forced to renegotiate their debt.



Heinz Dürr

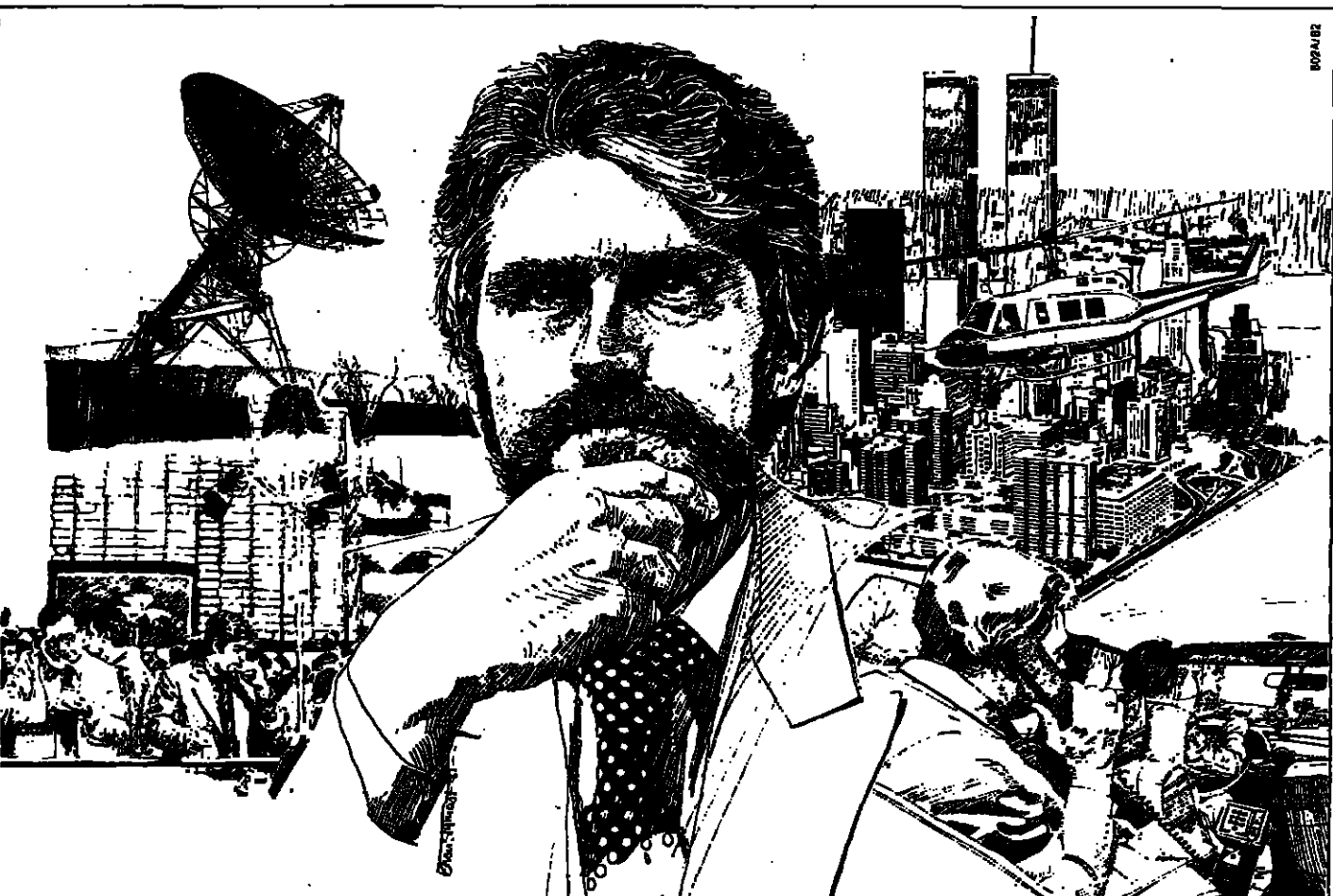
Chief executive Heinz Dürr said Monday that payment would be made over 18 months. An estimated 29,000 creditors with claims of less than 10,000 DM apiece would be repaid in full, he said.

Under West German law, 50.1 percent of creditors holding at least 80 percent of the debt must approve any debt settlement, which is a way of staving off formal declaration of bankruptcy.

Monday's announcement surprised some analysts, who had thought it likely that the Bonn Government would seek to avoid the economic and psychological damage a failure might cause.

That view gained support last month, after Bonn agreed to grant \$237 million in export-credit guarantees on the condition that the banks would insure the company's short-term liquidity by granting loans worth \$108 million.

Over the years, the banks' responsibility for the ailing electrical company mushroomed, as many of their loans to the company were transformed into shareholdings.



## Italian Bank Guarantees Reported

Compiled by Our Staff From Dispatches  
ROME — Luxembourg authorities have extracted agreements from six Italian banks that they will guarantee the operations of their foreign subsidiaries operating in the Grand Duchy, banking sources said Tuesday.

The agreements follow the financial scandal involving foreign subsidiaries of Banco Ambrosiano, whose Italian operations were ordered liquidated by Rome authorities last week. Ambrosiano's Luxembourg holding operation has been declared in default on about \$400 million in Eurocurrency loans. The Bank of Italy's refusal to take responsibility for the credits has caused tensions in the international banking community.

The board of the successor to Banco Ambrosiano, called Nuovo Banco Ambrosiano, and the Bank of Italy are expected to contact the newly appointed board of Banco Ambrosiano Holding in Luxembourg this week to discuss the defaults.

Sources close to the Bank of Italy continued to maintain that neither it nor the parent Ambrosiano bank were responsible for debts incurred by the Luxembourg subsidiary, but political pressure in Italy may result in some form of coverage of the loans.

The agreement with Luxembourg authorities emerged from a

meeting between Carlo Ciampi, governor of the Bank of Italy, and the six Italian banks that operate in Luxembourg through financial holding companies. Bank of Italy officials were not immediately available to confirm the decision.

The institutions are Banco di Roma, Credito Italiano, Banca Commerciale Italiana, Banco Nazionale del Lavoro, Banco di Santo Spirito and Banco di Napoli.

Banking sources said the agreement for guarantees required a formal commitment but did not entail any financial burden.

The Luxembourg banking commission released the six banks Monday, threatening to withdraw their Luxembourg subsidiaries' operating licenses if precise guarantees were not given by Wednesday afternoon, Milan banking sources said.

## CURRENCY RATES

Interbank exchange rates for Aug. 10, excluding bank service charges.

	\$	£	D.M.	F.F.	Y.	₹	S.F.	S.P.	D.C.
Amsterdam	2.2455	4.897	110.14	39.40	1.7973	2.028	57.64	129.10	31.20
Banque de Paris	47.25	91.50	19.1075	19.1075	1.7973	2.028	57.64	129.10	31.20
London	1.2000	—	—	—	1.7973	2.028	57.64	129.10	31.20
Milano	1.3723	2.3824	59.28	20.24	1.7973	2.028	57.64	129.10	31.20
New York	—	—	—	—	1.7973	2.028	57.64	129.10	31.20
Paris	4.756	1.1605	22.34	—	1.7973	2.028	57.64	129.10	31.20
Zurich	2.1789	2.4458	55.25	30.85	1.7973	2.028	57.64	129.10	31.20
1 ECU	1.9364	0.9535	2.2857	6.7573	1.7973	2.028	57.64	129.10	31.20
1 SDR	1.8809	0.9234	2.2958	6.7573	1.7973	2.028	57.64	129.10	31.20

(a) Commercial franc. (b) Amounts needed to buy one pound. (c) Units of 100. (d) Units of 1,000.

Source: Reuters. 12:02Z (L.S.)

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Shown at left, head office of Republic National Bank of New York, at 452 Fifth Avenue. Republic now has 32 branches in the New York area.

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### NYSE Index

	High	Low	Close	Chg%
Composite	59.62	59.13	59.13	-0.82
Industrials	62.00	61.44	61.44	-0.92
Transp.	59.65	59.76	59.76	+0.18
Utilities	57.16	57.00	57.00	-0.28
Finance	59.25	59.26	59.26	+0.14

### NYSE Most Actives

	Sales	Close	Chg%
Citibank	2,421,528	32 1/2	+1 1/2
IBM	1,831,000	25 1/2	+ 1/2
Intel/IntelCo	1,616,000	25 1/2	+ 1/2
Exxon	1,571,000	38 1/2	+ 1/2
Gen Elec	1,551,000	44 1/2	+ 1/2
W Corp	752,000	44 1/2	+ 1/2
Kmart	702,000	17	+ 1/2
Wal-Mart	702,000	17	+ 1/2
Gold Pntns	612,500	19 1/2	+ 1/2
Cable Polym	492,000	18 1/2	+ 1/2
WorlCom	477,000	28 1/2	+ 1/2
WorlCom	444,000	28 1/2	+ 1/2
Oversell	434,700	21	- 1/2

Tables include the nationwide prices up to the closing on Wall Street.

12-Month	52-Week	Stock	Div.	Yld.	P/E	High	Low	Open	Close
100%	100%	AA							
100%	100%	AB							
100%	100%	AC							
100%	100%	AD							
100%	100%	AE							
100%	100%	AF							
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100%	100%	IK							
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100%	100%	IM							
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100%	100%	IO							
100%	100%	IP							
100%	100%	IQ							
100%	100%	IR							
100%	100%	IS							
100%	100%	IT							
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# Herald Tribune

**The international essential.**

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## SPORTS

## Oriole Relief Fails; White Sox Rally to Win, 9-5

Compiled by Our Staff From Dispatches

CHICAGO — Baltimore's season-long misadventure — finally relief pitcher — was most apparent Monday night as the Chicago White Sox recovered from a 5-0 deficit and defeated the Orioles, 9-5.

The White Sox scored six runs in the seventh inning to take control as Greg Luzinski knocked out starter Jim Palmer with a leadoff home run to center field. Tippy Martinez then gave up hits to the two batters he faced; Tim Lincecum came on and allowed two runs to score on a throwing error after fielding a bunt by the first batter he faced, Amos Otis. Rodriguez drove in a run on a groundout and two more came in on Harold Baines' single.

The loss dropped Baltimore five games behind first-place Milwaukee in the American League East.

Luzinski again served as a catalyst for Chicago, which has won nine of its last 11 games. Twelve of Luzinski's 14 homers have come in White Sox victories. He also started a recent six-run 12th inning against Detroit with a towering home run.

Yankees 9, Tigers 7  
In Detroit, Jerry Mumphrey completed a three-run eighth with a run-scoring double to help New York come back from a 7-0 deficit and down the Tigers, 9-7. Rich Gossage earned his 22nd win by getting the last six outs. Winner Dave LaRoche (3-1) pitched one inning of relief.

Brewers 9, Rangers 1  
In Milwaukee, Robin Yount drove in four runs and left-hander Mike Caldwell gave up six hits to lead the Brewers' 9-1 rout of Texas. Caldwell evened his record at 10-10 by pitching his seventh complete game.

Blue Jays 4, Red Sox 2  
In Toronto, Rance Mulliniks' third homer of the season started a three-run eighth that enabled Toronto to defeat Boston, 4-2. Ken Schrom, who pitched only two-thirds of an inning, earned his first victory since 1980; Joey McLaughlin got the final two outs to earn his seventh save.

Royals 12, Indians 2  
In Kansas City, Mo., George Brett had four hits and Amos Otis drove in three runs and scored three times as the Royals trounced Cleveland, 12-2. Willie Aikens, Don Slaught and Hal McRae had three hits apiece in a 20-hit attack that made Larry Gura (13-8) an easy winner. Gura gave up seven hits through seven innings. Don Hood finished up. Pitcher Bill Niekirk's two-run home run in the sixth accounted for the Indians' runs.

A's 9, Mariners 4  
In Seattle, Davey Lopes drove in four runs and scored three as Oakland won its fifth straight, 9-4, over the Mariners.

Giants 5, Braves 0  
In the National League, San Francisco, Jim Barr, making his first start since late April and only his second of the season, pitched a three-hitter as the Giants blanked Atlanta, 5-0. It was San Francisco's eighth straight victory, while the Braves have lost 11 of 12. Atlanta's lead in the Western Division has dwindled to a half-game over Los Angeles. Barry (2-2) struck out two and did not walk a batter in his first shutout since May 3, 1978.

Dodgers 3, Reds 2  
In Los Angeles, Pedro Guerrero homered on the first pitch in the 13th and Dave Stewart pitched sparkling relief to give the Dodgers a 3-2 victory over Cincinnati. It was the 11th victory in 12 games for the Dodgers. The Reds have lost four straight.

Phillies 4, Pirates 3  
In Philadelphia, pinch hitter George Vukovich doubled home two runs in the eighth and Steve Carlton scattered seven hits for his 16th victory, tops in the major leagues, as the Phillies edged Pittsburgh, 4-3. The nightcap of a scheduled doubleheader was suspended in the top of the eighth with the Pirates leading, 9-6. A downpour interrupted play at 12:36 a.m. and the game was suspended nine minutes later under a league rule that prohibits a contest's being resumed if a weather delay goes past 12:45 a.m. The game was to be resumed Tuesday night.

Astros 4, Padres 3  
In San Diego, Alan Ashby hit two bases-empty home runs, one of them in the fourth inning to break a 1-1 tie, to help Houston end a six-game losing streak with a 4-3 triumph over the Padres.

Cardinals 7, Mets 2  
In New York, Willie McGee keyed a four-run fifth with a bases-loaded triple to rally the Cardinals to a rain-delayed 7-2 victory over the Mets. McGee's triple, off Charlie Puleo, put St. Louis in front for good, 4-2.

Cubs 9, Expos 2  
In Montreal, Ryne Sandberg hit a three-run homer and Bill Buckner added two bases-empty home runs to lead Chicago to its fifth straight victory, a 9-2 triumph over the Expos. It was the first time since August, 1979, that the Cubs have won five in a row. Ferguson Jenkins picked up his 27th career victory.



Vladimir Petrovic, right, and Tony Woodcock the day before the Yugoslav's release was rescinded.

## Denied Chance to Shine in U.K., a Star Returns to Belgrade

International Herald Tribune

LONDON — He was born into a family of eight living in one room, but he was born lucky. For although Vladimir Petrovic has always been small and slight, God gave him speed and balance and control over a soccer ball. Work hard, little pigeon, the people said — work hard and you will earn privileges that will lift your folks out of their confinement.

The little pigeon worked. By 16 he took wing for Red Star Belgrade, Yugoslavia's most famous club. By 18 he was a fully fledged international.

Work hard, little pigeon, and in time the nation will release you to chase the riches of sportsmen behind that big curtain to the West. Petrovic labored on. His speed was curtailed by a serious knee injury, but he became a busy, brainy, inventive midfielder man. And this was to have been the summer of his dreams.

At the World Cup, he was Yugoslavia's captain. And in his pocket was his precious release. Signed by Miljan Miljanic, the Yugoslav national coach/manager, the letter promised that Petrovic would be free to join Arsenal of London after the World Cup.

Arsenal flew him to London. He stayed for four days in the hotel used by the England team, he trained with his new colleagues in Hertfordshire and traveled with them to Rotterdam, where the club was to take part in a warm-up tournament to the new season.

Petrovic was immediately popular. "How are you, Vlad?" a teammate would ask. "My wife to sea-side for holiday," would come the phrase-book response, and the two would laugh.

His skill, his ability to glide quick, accurate passes through from midfield, was to be a cornerstone of the new Arsenal, a team berated for its lack of imaginative flair. And on the eighth day of this maturing relationship, Petrovic was to appear for Arsenal for the first time in public.

The telephone rang seven hours before the match against Feyenoord of Rotterdam. It was the expected call from Belgrade, where Arsenal's assistant secretary, David Miles, had telephoned to go through the "formality" of picking up the player's international clearance certificate.

But that call changed the entire mood of Arsenal's optimistic pre-season training camp. Miles reported that the Yugoslav Football Association was to renege on the written word of its international manager. The release of Vladimir Petrovic was rescinded.

The man — or rather the boy, the hurt little boy, as Petrovic now looked — was devastated. He phoned home to Belgrade, where his wife and two small children were preparing to join him in England. There were tears.

Tears, too, from at least one would-be teammate, an international who had spent the previous six months publicly wrangling for outrageous financial terms from Arsenal. So much for the view that the modern player's feelings are confined to his wallet.

One by one, the Arsenal team walked up to show, in a language the new man could barely comprehend, the sympathy of international colleagues. They had trained together only a week, but there was already a sense of loss.

Tony Woodcock, just repatriated by Arsenal from the West German Club Cologne, had misheard the message. "Vlad, you're playing tonight aren't you?"

"No... No. Not tonight."

Taken inside Woodcock was informed that his new friend whose flickering passes he in particular should have thrived on — was not then, and might never be, an Arsenal player. Woodcock came back. He tried to speak but couldn't find the words. He put an arm around Petrovic's shoulder.

It was beyond them, beyond most of us who take the freedoms of Western life for granted.

Slowly a picture began to emerge. The Yugoslav FA Council, meeting in Belgrade last Friday, had expected to rubber stamp the agreed-to transfers of Petrovic to Arsenal, Sefat Susic to Paris St. Germain and Dusan Savic to Spain's Sporting Gijon.

But the FA was a beleaguered body. The Yugoslav media was demanding reprisals for the nation's abysmal World Cup, in which it lost to Spain and could not defeat either Northern Ireland or Honduras.

The reaction of the 16-man council was to offer the three players as sacrificial scapegoats.

It was not politics that betrayed Petrovic, but a small-minded administration cowed by media criticism.

Dealers

Yugoslavia is a country of prolific natural soccer talent. But its enigmatic position between East and West handicaps it alarmingly; its players are professionals who cannot hope in their own land to earn as much as Europe's elite.

So Yugoslavia did a deal. Over the past 12 years, it has released about 700 players — but only players who have begun their 28th year. It amounts to a rape of the country's soccer talent but, with clubs like Red Star only too pleased to negotiate the £400,000 fee Arsenal had offered for Petrovic, it has brought vital Western currency into Belgrade.

Alas, Petrovic was born on July 1, 1955. He is 27 and, according to the rule, not free for export until January. The special dispensation signed by Miljanic was, the council decided by nine votes to seven, not

to be honored. "Miljan," said Petrovic sadly, "resigned at the meeting. People who made promises to me have not kept their word."

By Tuesday, Petrovic was back in Belgrade. He says he will play for Arsenal or nobody. He carries the vital paperwork — Miljanic's letter, Arsenal's telexes agreeing to his release for Yugoslav international matches, Red Star's binding agreement of sale and the British work permit.

Harsh Reflection

He hopes the Yugoslav FA will relent. The council was disbanded after Friday, and the new chairman is one who voted in his favor. But the council is not due to meet until Sept. 13, by which time Arsenal will be playing its first European matches.

Arsenal says it will wait, if necessary, until 1983. It is a matter of honor. Meanwhile, unless bureaucracy in Belgrade is moved to embrace compassion, we are bound to reflect how fortunate we are to be born in the West and free.

Or are we? Leicester City, an English second-division club, this summer lost its manager, who walked out on a seven-year contract. The club later made five players, all Scots, available for free transfer; they were a burden to the wage bill. Yet when the club's former manager, now with the Scottish team Motherwell, attempted to sign the five, he was told they were not free to join him.

Their careers are as jeopardized as Petrovic's. Humanity, indeed.

Are we so far ahead of the Soviet Union, whose team manager Konstantin Beskov last month said, "I would be harmful to allow our top men, even the older players, to go abroad. Also, remember, there won't be any foreign players coming to play in Russia."

In one direction, at least, there is still a freedom of choice.

## Non-Old-Timer Bouton on Decline of Yankee Tradition

Jim Bouton has recently updated his book, "Ball Four." It is called "Ball Four Plus Ball Five."

By Jim Bouton  
New York Times Service

NEW YORK — Last Saturday I watched the Yankees' Old-Timers' Game on television. I wasn't invited. I've never been invited since I wrote a book about baseball in 1970. People ask me if I'm sad or bitter. On the contrary, it gives me a special distinction: I'm the only former Yankee not invited back.

If I were there, I would just be another former player introduced in a crowd of stars.

If I told you what I wrote, you'd laugh at how harmless it was, but in 1970 it was controversial and un-Yankee-like, even though I was no longer a Yankee. Back then, Yankees were supposed to be seen and not heard from. Keep your mouth shut. Don't pop off. Don't embarrass the pinstripes.

So you can understand why I'm getting such a kick out of watching the Yankees these days. Nobody is upholding the Yankee tradition. Not the players or the owners. Everybody is popping off.

On any given day there is enough dirty laundry to start a dry-cleaning business. Are they all trying to get banned from Old-Timers' Day?

It's not that the old Yankees never had turmoil. In the 1960s I played for three different managers in three years. Granted, that's not the same as three managers, five pitching coaches and two batting instructors in one year, but it was wild for back then. And pretty funny, too. Especially when Yogi Berra was let go in 1964 after he won the pennant.

The big turmoil that summer occurred on a bus ride to the airport in Chicago. We had just lost a doubleheader to the White Sox (sound familiar?) during the last month of a three-team pennant race.

Piping Up

In true Yankee fashion, the bus was as quiet as a morgue. That's when my roommate, Phil Linz, who sometimes left his pinstripes in the locker room, decided to play his new harmonica, which he had purchased that morning.

Since he didn't know any songs, he played one note at a time according to the instruction booklet. Appropriately, it was a sad version of "Mary Had a Little Lamb."

Yogi charged to the back of the bus and started the harmonica into Joe Pepitone's kneecaps, which produced a lot of moaning from Joe while guys were biting their lips to keep from laughing. Coach Frank Crosetti was screaming that it was the worst thing he had seen in 33 years with the Yankees.

Of course, when we went on to win the pennant, the sportswriters called that the turning point, and Phil and Yogi did a harmonica commercial. And you thought the Miller Lite people were the first to capitalize on Yankee strife.

After Yogi, the big controversy was the mutiny under Johnny Keane. Although the players didn't respect Yogi, they didn't like Keane and refused to play ball for him. We had been spoiled by Ralph Houk, whom the players loved when he managed because he never said anything bad about us in the newspapers.

That's important to ballplayers. They remember stuff about them for years. Take my word for it. The players complained about Berra and Keane, but they did

it privately to Houk, who as general manager replaced Berra with Keane and Keane with himself.

The point here is that nobody really popped off. Not for attribution. Except me.

In September, 1966, we were in last place, 26½ games out, and I was asked by a reporter what was wrong with the Yankees. Considering our situation I said, "We stink," which became a big, black headline the following day.

Well, you would have thought chunks of concrete were falling off the Stadium. I had to apologize to the team. If I said such a thing today, I'd be questioned about my reticence.

I noticed that a couple of old threads from the '60s have been reworked into the modern Yankee uniform. Pepitone is now the Yankee batting coach (as this is written) and Bill Bergesch is working in the front office. In 1964, Bergesch was the man who secretly made the deal with Keane to manage the Yankees while Keane was still managing the Cardinals in the middle of a pennant race.

Bergesch, a quiet fellow, was recently hounded at by Tommy John, another quiet fellow. You may not have noticed because there is so much hollering these days.

Today's players will holler about anything, like going to the bullpen. In my day you didn't even holler about getting sent down to Syracuse. You just went, and tried to prove they'd made a mistake. Now players call their agents if they get moved in the batting order.

Team Psychosis

Aren't the Yankee players under a lot of pressure playing for an owner like George Steinbrenner, a television reporter recently asked me, "Pressure? The players' complaints would be funny if they weren't so sad. These guys don't know what pressure is. They have lost their perspective. Pressure is being out of work with six kids. Or being a cop or a fireman. Any of them would gladly change places with the players."

It's easy to lose perspective on a baseball team. You're living in a bubble, divorced from reality. It starts early in life. As Bill Russell, the basketball player, once said, "They've all been on scholarship since the third grade." You can get a pretty warped view of things when all the outside world wants to know is, "Who's going to win tonight?" and "How's your arm feeling?"

A team that travels and eats and works together becomes like an infused family. The news media become the enemy and fans are a necessary evil. Ordinary events like going to the bullpen become overinflated. A team psychosis develops.

Even the saner ones, like John, get caught up. They start acting like rats in a maze when the scientists turn up the juice on the grid. The real world loses its meaning to these guys. They think Lebanon is a new minor league town they might get sent to in Pennsylvania. And if you ask them why they're not having fun making millions running in the sunshine, they think you're crazy.

Now throw in Steinbrenner. His emphasis on winning at the expense of everything else, I believe, has a negative impact on sports. But he gives the players a taste of the real world that they've been missing.

Most owners are content to drop by the clubhouse once in a while and shake a few heads. Steinbrenner acts like a real boss. Sure he goes too far — but he's a lot closer to most bosses than anything the players are used to. In the real world, when production slips the boss screams and heads roll. It's the American way.



Jim Bouton in his pinstriped prime.

## Major League

## Standings

## National League

## Eastern Division

W	L	Pct.	GB
Philadelphia	42	.569	1
St. Louis	42	.558	1 1/2
Pittsburgh	40	.523	5
San Francisco	39	.509	14 1/2
New York	38	.500	17
Chicago	37	.484	17 1/2

## Western Division

W	L	Pct.	GB
Atlanta	42	.544	1
Los Angeles	40	.526	1 1/2
San Diego	39	.513	5
San Francisco	38	.500	14 1/2
Houston	37	.484	17
Cincinnati	36	.469	17 1/2

## American League

## Eastern Division

W	L	Pct.	GB
Baltimore	42	.569	1
Seattle	40	.523	5
Baltimore	39	.509	14 1/2
New York	38	.500	17
Cleveland	37	.484	17 1/2
Toronto	36	.469	17 1/2

## Western Division

W	L	Pct.	GB
California	42	.544	1
Kansas City	40	.526	1 1/2
Chicago	39	.513	5
Seattle	38	.500	14 1/2
Oakland	37	.484	17
Texas	36	.469	17 1/2
Minnesota	35	.454	17 1/2

## Monday's Major League Line Scores

## American League

Boston	000 070-3 15 2
Toronto	000 070-3-4 15 2

## National League

Philadelphia	011 000-3 7 1
St. Louis	010 000-4 11 1

## Transactions

DETROIT—Released MIR Wilson, pitcher, to the Birmingham Stars of the Southern League.
TORONTO—Released Orie Velez, designated hitter, to the Syracuse of the International League.

## National League

MONTREAL—Released Roy Johnson, outfielder, from Wichita of the American Association and sent to the Oklahoma City of the American Association.
PHILADELPHIA—Released Jerry Reed, pitcher, from Oklahoma City of the American Association and sent to the Oklahoma City of the American Association.

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## NASL Standings

## Eastern Division

W	L	Pct.	GB
New York	21	.746	41
Toronto	15	.500	40
Chicago	11	.369	43

## Southern Division

W	L	Pct.	GB
FL Lauderdale	16	.516	41
Tampa Bay	12	.385	42
San Jose	11	.347	43

## Western Division

W	L	Pct.	GB
Seattle	16	.516	41
Vancouver	12	.385	42
San Diego	11	.347	43

## National League

W	L	Pct.	GB
San Diego	16	.516	41
San Jose	12	.385	42
Portland	11	.347	43

## American League

W	L	Pct.	GB
San Diego	16	.516	41
San Jose	12	.385	42
Portland	11	.347	43

## National League

W	L	Pct.	GB
San Diego	16	.516	41
San Jose	12	.385	42
Portland	11	.347	43

## American League

W	L	Pct.	GB
San Diego	16	.516	41
San Jose	12	.385	42
Portland	11	.347	43

## National League

W	L	Pct.	GB
San Diego	16	.516	41
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## American League

W	L	Pct.	GB
San Diego	16	.516	41
San Jose	12	.385	42
Portland	11	.347	43

## Astros Dismis

## Manager Virdon

The Associated Press

HOUSTON — Houston Astro Manager Bill Virdon was fired Tuesday and coach Bob Lillis was named as an interim replacement. The Astros are 49-62 and in fifth place in the Western Division of the National League.

Virdon took over the team in 1975. His career managerial record at Houston was 544-572. In 1980, the Astros won the divisional title before losing to Philadelphia in a tense five-game championship series. In last year's split season, they won the second half but lost to Los Angeles in a five-game playoff.



